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ANNUAL REPORT

AND ACCOUNTS

2017-2018

MEMG SECURITIES LIMITED

Regd. Office: N115, Manipal Centre, Dickenson Road, Bangalore-560042

CIN: U65110KA1995PLC017907

MEMG Securities Limited

DIRECTORS	Mr. T. Satish U. Pai Dr. Ranjan Ramadas Pai Mr Rajen Krishnanand Padukone Mr. Rajesh Krishnaswamy Moorti Mr. K R Muthukumar
WHOLE-TIME DIRECTORS	Mr. D. Sreepathi Mr. G. S. Shridhar
BANKERS	Axis Bank Ltd. HDFC Bank Ltd. ICICI Bank Ltd. Syndicate Bank
AUDITORS	M/s Chaturvedi & Shah Chartered Accountants 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai – 400 021
REGISTERED AND CORPORATE OFFICE	N-115 North block 1st Floor Rear Wing, Manipal Centre 47 Dickenson Road Bangalore - 560 042
REGISTRARS AND SHARE TRANSFER AGENTS	Cameo Corporate Services Ltd Subramanian Building, No. 1 Club House Road Chennai – 600 002

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of the Company will be held on Wednesday the 26th September, 2018 at the registered office of the Company at N-115, 1st Floor, Manipal Center, Dickenson Road, Bangalore – 560042 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2018 and Statement of Profit & Loss and the Cash Flow Statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To appoint Director in place of Mr. Ranjan Ramdas Pai (DIN-00863123), who retires by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s. Pathak H. D & Associates, Chartered Accountants (Firm Registration No. 107783W) in place of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No. 101720W) as Statutory Auditors of the Company, to hold office of the Auditors from the conclusion of this Annual General Meeting (AGM) until the conclusion of AGM to be held for the F.Y. 2022-23 and the Board of Directors be and is hereby authorized to fix their remuneration.

SPECIAL BUSINESS

4. RE-APPOINTMENT OF MR. SHRIDHAR SRIKANTIAH GARGESHWARI (DIN 00106780) AS A WHOLE-TIME DIRECTOR OF THE COMPANY:
   To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

   "RESOLVED THAT, pursuant to the provisions of section 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force) and in terms of Articles of Association of the Company, consent of the Company be and is hereby accorded for re-appointment of Mr. G. S. Shridhar (Mr Shridhar Srikantiah Gargeshwari, DIN - 00106780), as a Whole-time Director of the Company for a further period of 1 year with effect from 1st November, 2018 on the existing terms and conditions including remuneration as set out herein below:

   I. a) Basic Salary - Rs. 34,546/- per month.
      b) Flexible Benefit Plan of Rs. 98,149/- per month.
      c) Performance based variable pay on the performance achieved as per the individual goals and objective set by the management subject to a maximum of Rs 4,15,508/-.

   II. Perquisites, benefits etc.:
      a) Provident fund - Companies Contribution to the extent of 12% of Basic Salary and applicable Act.
      b) Gratuity as per the rules of the Company and applicable Act.

   III. General :
      a) The Whole-time Director will perform his duty as such with regards to all work of the Company and he will manage and attend to such business and carry out orders and directions given by the Board from time-to -time in all respects and conform to and comply with all such directions and regulations as may from time-to-time be given and made by the Board.
      b) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regards to duties of Directors.
      c) The Whole-time Director shall satisfy all the conditions set out in Part I of schedule V to the Act as also conditions set out under sub-section (3) of section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

   RESOLVED FURTHER THAT, in the absence of or inadequacy of net profit in any financial year remuneration payable to Mr. G.S. Shridhar, shall be governed by Section II of the Part II of Schedule V of the Act or any statutory modification thereof.
   RESOLVED FURTHER THAT, the aforesaid terms shall be deemed to be extract of the terms and conditions of the contract of employment between the Company and Mr. G.S. Shridhar pursuant to Section 190 of the Companies Act, 2013.
   RESOLVED FURTHER THAT, Mr. G.S. Shridhar shall not be paid any sitting fees for attending the meetings of the Board or Committees, if any as long as he holds the office of Whole-time Director.
   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. RE-APPOINTMENT OF MR. DONAKAL SREEPATHI (DIN 00958235) AS A WHOLE-TIME DIRECTOR OF THE COMPANY:
   To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

   "RESOLVED THAT, pursuant to the provisions of section 196, 197 and 198 read with Schedule V and all other applicable provisions. if any, of Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactments thereof for the time being in force) and in terms of Articles of Association of the Company, consent of the Company be and is hereby accorded for re-appointment of Mr. Donakal Sreepathi (Mr. D. Sreepathi, DIN - 00958235), as a Whole-time Director of the Company for a further period of 1 year with effect from 1st November, 2018 on the existing terms and conditions including remuneration as set out herein below:

   I. a) Basic Salary - Rs. 37,128/- per month.
      b) Flexible Benefit Plan of Rs. 1,10,344/- per month.
      c) Performance based variable pay on the performance achieved as per the individual goals and objective set by the management subject to a maximum of Rs 4,61,142/-.

   II. Perquisites, benefits etc.:
      a) Provident fund - Companies Contribution to the extent of 12% of Basic Salary and applicable Act.
      b) Gratuity as per rules of the Company and applicable Act.

   III. General :

a) The Whole-time Director will perform his duty as such with regards to all work of the Company and he will manage and attend to such business and carryout orders and directions given by the Board from time-to -time in all respects and conform to and comply with all such directions and regulations as may from time-to-time be given and made by the Board.
b) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regards to duties of Directors.
c) The Whole-time Director shall satisfy all the conditions set out in Part I of schedule V to the Act as also conditions set out under Sub-Section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

RESOLVED FURTHER THAT, in the absence of or inadequacy of net profit in any financial year remuneration payable to Mr. D. Sreepathi, shall be governed by Section II of the Part II of Schedule V of the Act or any statutory modification thereof.
RESOLVED FURTHER THAT, the aforesaid terms shall be deemed to be extract of the terms and conditions of the contract of employment between the Company and Mr. D Sreepathi pursuant to Section 190 of the Companies Act, 2013.
RESOLVED FURTHER THAT, Mr. D. Sreepathi shall not be paid any sitting fees for attending the meetings of the Board or Committees, if any as long as he holds the office of Whole-time Director.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. TO ADOPT NEW ARTICLES OF ASSOCIATION OF THE COMPANY :
To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 5, 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the Company be and is hereby accorded for adoption of new set of Articles of Association in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things that may be incidental or pertinent to give effect to this resolution."

7. APPROVAL OF PRIVATE PLACEMENT SCHEME FOR ISSUE AND ALLOTMENT OF EQUITY SHARES AND APPROVAL FOR ISSUE OF EQUITY SHARES TO M/S. MANIPAL INTEGRATED SERVICES PRIVATE LIMITED ON PREFERENTIAL BASIS :
To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 42 read with Rule 14 of Companies (Prospectus & Allotment of Securities) Rules, 2014, (as amended) and section 62(1)(c) read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended and including any statutory modification(s) or re-enactments thereof for the time being in force),and other applicable provisions if any, of the Companies Act, 2013 and subject to the approval of the members for consolidation of face value of equity shares as proposed under item no. 8 below, and all other applicable provisions, if any, thereof, and the provisions of Memorandum of Association and Articles of Association of the Company, consent and approval of the members be and is hereby accorded to the Scheme of Private Placement for issue and allotment of 41,668 (Forty one thousand six hundred and sixty eight) equity shares of the Company, each having a face value of Rs. 10/- (Rupees Ten) at a price of Rs. 14.70/- (including a premium of Rs. 4.70/-) per equity shares aggregating to Rs. 6,12,520/- (rounded off from 6,12,519.60) to M/s. Manipal Integrated Services Private Limited.

RESOLVED FURTHER THAT the draft Letter of Offer (in Form PAS-4) and the application forms to be issued to investors, in respect of scheme of private placement for issue and allotment of 41,668 (Forty one thousand six hundred and sixty eight) equity shares of the Company, to M/s. Manipal Integrated Services Private Limited be and is hereby considered and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to issue the Letter of Offer in Form PAS-4, and do all such acts, deeds, matters and things as may be necessary, expedient or desirable in this regard, and to execute and deliver all forms, applications, certificates, deeds, notifications, documents, and agreements that may be required, including filing necessary forms with Registrar of Companies, Karnataka and any other regulatory authority/ies."

8. CONSOLIDATION OF FACE VALUE OF EQUITY SHARES OF THE COMPANY:
To consider and, if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s), amendment or re-enactment thereof for the time being in force), and pursuant to Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary or required from the Hon'ble National Company Law Tribunal, Bengaluru Bench and other authorities, if any and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board"), consent of the members be and is hereby accorded to consolidate the Authorised, Issued, Subscribed and Paid up equity share capital of the Company having Face value of Rs. 10/- (Rupees Ten only) each fully paid-up to Rs. 20,00,000/- (Rupees Twenty Lakhs only) each fully paid-up with effect from the "Record Date" to be determined by the Board for this purpose.

RESOLVED FURTHER THAT on consolidation the Equity Shares shall rank pari passu in all respects and carry the same rights as the existing fully paid up Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company and shall be entitled to dividend(s) if declared after the consolidation of equity shares.

RESOLVED FURTHER THAT upon consolidation of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of Rs. 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the Allottees of the new Equity Shares of Face value of Rs. 20,00,000/- (Rupees Twenty Lakhs only) each on consolidation and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s),within the period prescribed or that may be prescribed in this behalf, from time to time. In the case of shares held in dematerialized form, the number of Consolidated Equity Shares shall be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing Equity Shares before consolidation.

RESOLVED FURTHER THAT no shareholder shall be entitled to a fraction of a share and that the fractional shares caused by Consolidation of Capital shall be aggregated into whole shares and the number of shares so arising shall be transferred without requiring any further action to a Trust to be formed/appointed for this purpose by the Board of Directors of the Company.

RESOLVED FURTHER THAT this Trust shall sell consolidated shares held on behalf of the shareholders at a price of Rs 29,40,000/- per share of the face value of Rs 20,00,000 each per share, which is equivalent to Rs. 14.70 per equity share of Rs 10 each. This value of Rs 14.70 per equity share is determined on the basis of the Fair Market Value report obtained from M/s. Arihant Capital Markets Ltd., Merchant Banking Division, Mumbai, A Category 1 Merchant Banker holding Certificate of permanent registration from Securities & Exchange Board of India having registration No. INM 000011070. The decision of the Trust as to the timing and method of sale shall be final and binding on all concerned. The Trust shall hold the net sale proceeds of all such shares after defraying them from all costs, charges and expenses of such sale and shall thereafter distribute such sale proceeds to the members of the Company in proportion to their fractional entitlements.

RESOLVED FURTHER THAT the Board be and is hereby authorized to file necessary application/documents, petitions to the Hon'ble National Company Law Tribunal, Bengaluru Bench and to appoint Practicing Company Secretaries, Advocates and such other professionals or firm of professional to represent the Company and the Board of Directors before the aforementioned Bench and to give effect to the said consolidation of shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to fix a "Record Date" pursuant to the approval of petition by the Hon'ble National Company Law Tribunal, Bengaluru Bench and to communicate the same to the shareholders and to take such steps as maybe necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and file necessary application/documents, petitions to the Hon'ble National Company Law Tribunal, Bengaluru Bench and other authorities, if any on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.

9. ALTERATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY AND MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and, if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

"RESOLVED THAT subject to the approval of the members for consolidation of face value of equity shares as proposed under item no. 8 above and pursuant to the provisions of Section 4, 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company and subject to consents, approvals, permissions and sanctions, required from the Hon'ble National Company Law Tribunal, Bengaluru Bench and other authorities, if any, consent of the members of the Company be and is hereby accorded to alter the Authorised Share Capital of the Company with effect from the "Record Date" to be determined by the Board for this purpose:

from

Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

to

Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 50 (fifty) Equity Shares of Rs. 20,00,000/- (Twenty Lakhs only) each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be and is hereby deleted and substituted thereof by the following Clause No. V with effect from the "Record Date" to be determined by the Board for this purpose :

"V. The Authorised Share Capital of the company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 50 (fifty) Equity Shares of Rs. 20,00,000/- (Twenty Lakhs only) each.

RESOLVED FURTHER THAT the Board be and is hereby authorized to file necessary application/documents, petitions to the Hon'ble National Company Law Tribunal, Bengaluru Bench and to appoint Practicing Company Secretaries, Advocates and such other professionals or firm of professional to represent the Company and the Board of Directors before the aforementioned Bench and to give effect to the above resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to fix the "Record date" pursuant to the approval of petition by the Hon'ble National Company Law Tribunal, Bengaluru Bench and to communicate the same to the shareholders.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and file necessary application/documents, petitions to the Hon'ble National Company Law Tribunal, Bengaluru Bench and other authorities, if any on behalf of the Company and to delegate all or any of its powers herein conferred to any one of its Directors or any other officers."

By Order of the Board
MEMG SECURITIES LIMITED

Sd/-
D Sreepathi
Whole Time Director

Date: 20.08.2018
Place: Bengaluru

NOTES :

1. The statement pursuant to section 102(1) of the Companies Act, 2013 with respect to the special business set out in the notice is annexed.
2. The voting rights of shareholders as on the cut-off date i.e. 19.09.2018 in case on a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and on a poll the voting right or every holder of equity share whether present in person or by proxy, shall be in proportion to his share of the paid- up equity capital of the company. Incase of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders. A person who is not a member as on cut-off date should treat this notice for information purpose only.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
The proxy form duly completed and signed should be deposited at the registered office of the company at least 48 hours before the commencement of the meeting. The instrument of proxy is valid only for the Annual General Meeting and any adjournment thereof. A proxy form is enclosed.
4. Members/proxies should fill in the attendance slip for attending the meeting. Members are requested to bring their attendance slip. The proxy shall carry his / her / their Identity proof for attending the meeting to proof his/her/their credentials in terms of the Secretarial Standards.
5. In terms of the provisions of the Companies Act, 2013, the amount of dividend for the financial year 2009-10 remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is transferred to the Investor Education and Protection Fund (IEPF).
The Company has transferred the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the Investor Education and Protection Fund.
Shareholders are requested to claim shares from Investor Education and Protection Fund as per the procedure provided in the Company's website - www.memgsecurities.com.
The Company has nominated Mr. Vidyadheesh H Pandurangi - Manager-Accounts as Nodal Officer for the purpose of coordinating with IEPF Authority in terms of Rule 7(2A) of IEPF Rules, 2016 and details of the same is provided in the Company's website.
6. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. Members are requested to intimate the Company of any change in their registered address. The copy of Annual Report is also available on the Company's website :www.memgsecurities.com.
7. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 24.08.2018.
8. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 24.08.2018 are requested to send the duly signed written / email communication to the Company at the registered office and to the RTA at their address mentioned in the Annual Report by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
9. **The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 20th day of September, 2018 to Wednesday, the 26th day of September, 2018 (both days inclusive) for the purpose of this AGM.**
10. Relevant documents referred to in this Notice is open for inspection by the members at the Registered Office of the Company during business hours.
11. **The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on Sunday, 23rd September, 2018 at 10.00 a.m.(IST) and ends on Tuesday, 25th September, 2018 at 5.00 p.m.(IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
Shareholders who have already voted prior to the meeting date (by remote e-voting) shall not be entitled to vote at the meeting venue.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period..

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID
a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for the said demat account or folio in dd/mm/yyyy format.

Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii)After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <**MEMG SECURITIES LIMITED**> on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii)Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv)After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi)You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii)If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii)Note for Non-Individual Shareholders & Custodians:

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix)In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to **helpdesk.evoting@cdslindia.com** or contact them at **1800 200 5533.**

12. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at girishadesai@hotmail.com with a copy mark to helpdesk.evoting@cdslindia.com and the same may also be send to the Scrutinizer in physical mode also on or before 25.09.2018 upto 5.00 p.m. without which the vote shall not be treated as valid.
13. The facility for voting either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting. However, in case the members who have casted their votes by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their votes again.
14. Mr. Girish. A. Desai, Practising Company Secretary has been appointed as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 3(three) days of conclusion of the meeting make a consolidated Scrutinizer’s Report (which includes remote e-voting and voting as may be permitted at the venue of the AGM by means of ballot paper/poll) of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of the voting forthwith.
15. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.
16. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.memgsecurities.com and on the website of CDSL immediately after declaration of results of passing of the resolution at the Annual General Meeting of the Company.
17. The profile of the Directors seeking appointment/ re-appointment, as required in terms of applicable regulations of Secretarial Standard 2 as issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice.
18. As per Secretarial Standard 2 route-map to the venue of the AGM is annexed for the convenience of the members.
19. The “Record date” for the purpose of consolidation of face value of equity shares and alteration of Capital Clause of the Memorandum of Association of the Company shall be decided pursuant to the approval of petition by the Hon’ble National Company Law Tribunal, Bengaluru Bench and the same shall be communicated thereafter.

EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD AT THE REGISTERED OFFICE ON WEDNESDAY THE 26TH SEPTEMBER, 2018 UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4: REAPPOINTMENT OF MR. SHRIDHAR SRIKANTIAH GARGESHWARI AS A WHOLE-TIME DIRECTOR OF THE COMPANY

1. **THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-**

(I) EVERY DIRECTOR AND MANAGER – The shareholding of the Directors in the equity share capital of the company is as given under:

Name of the Directors	No. of Shares	Shareholding Percentage
Mr. G S Shridhar	301	0.01

(II) EVERY OTHER KEY MANAGERIAL PERSONNEL – NIL
(III) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. **ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THE ITEMS OF BUSINESS AND TO TAKE DECISION THEREON**.

Mr. G S Shridhar has been serving as a Whole-time Director of the Company since 01/11/2004 and has been discharging the responsibilities diligently. Pursuant to the provisions of section 196, 197 and 198 read with Part I and Part II of schedule V and all other applicable provisions, if any, of the Companies Act 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of Articles of Association of the Company, consent of the shareholders is sought for re-appointment of Mr. G S Shridhar (DIN: 00106780) as Whole Time Director of the Company for a further period of 1 year with effect from 1st November, 2018 on the existing terms and conditions including remuneration.

3. **WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED, TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED**.

Documents relating to the approval are maintained at the registered office of the Company and is open for inspection during office hours.

ITEM NO. 5: REAPPOINTMENT OF MR. DONAKAL SREEPATHI AS A WHOLE-TIME DIRECTOR OF THE COMPANY

1. **THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-**

(I) EVERY DIRECTOR AND MANAGER – The shareholding of the Directors in the equity share capital of the Company is as given under:

Name of the Directors	No. of Shares	Shareholding Percentage
Mr. D Sreepathi	200	0.01

(II) EVERY OTHER KEY MANAGERIAL PERSONNEL – NIL
(III) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. **ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THE ITEMS OF BUSINESS AND TO TAKE DECISION THEREON**.

Mr Donakal Sreepathi has been serving as a Whole time Director of the company since 01/11/2004 and has been discharging the responsibilities diligently. Pursuant to the provisions of section 196, 197 and 198 read with Part I and Part II of schedule V and all other applicable provisions, if any, of the Companies Act 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of Articles of Association of the Company, consent of the shareholders is sought for reappointment of Mr. D Sreepathi (DIN: 00958235) as Whole-Time Director of the Company for a further period of 1 year with effect from 1st November, 2018 on the existing terms and conditions including remuneration.

3. **WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED, TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED.**

Documents relating to this resolution and the approval are maintained at the registered office of the Company and is open for inspection during office hours.

ITEM NO. 6: TO ADOPT NEW ARTICLES OF ASSOCIATION OF THE COMPANY

1. **THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-**
   (i) EVERY DIRECTOR AND MANAGER – NIL
   (ii) EVERY OTHER KEY MANAGERIAL PERSONNEL– NIL
   (iii) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. **ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THE ITEMS OF BUSINESS AND TO TAKE DECISION THEREON**

The existing Articles of Association (AOA) of the Company are based on the provisions of the Companies Act, 1956.
Members are aware that the Ministry of Corporate Affairs (MCA) has notified most of the sections of the Companies Act, 2013 (the Act) and the Companies (Amendment) Act (Amendment Act), 2017, which replace the provisions of the Companies Act, 1956. The MCA has also notified the Rules pertaining to the further notified sections.

In order to bring the existing AOA of the Company in line with the provisions of the Act, and the Amendment Act the Company will have to make numerous changes in the existing AOA. It is therefore considered and appropriate to adopt a new set of Articles of Association of the Company (new Articles) in substitution of and to the exclusion of the existing AOA.

The above proposal is in the best interest of the Company.

The Board of Directors of the Company has recommended the resolution(s) at Item No.6 of the Notice for approval of Members of the Company as a Special Resolution.

3. **WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED, TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED.**
   The revised Articles of Association of the Company is available for inspection during business hours at the registered office of the Company.

ITEM NO. 7: APPROVAL OF PRIVATE PLACEMENT SCHEME FOR ISSUE AND ALLOTMENT OF EQUITY SHARES AND APPROVAL FOR ISSUE OF EQUITY SHARES TO M/S. MANIPAL INTEGRATED SERVICES PRIVATE LIMITED ON PREFERENTIAL BASIS

1. **THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-**
   (i) EVERY DIRECTOR AND MANAGER – NIL
   (ii) EVERY OTHER KEY MANAGERIAL PERSONNEL– NIL
   (iii) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. **ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THEN ITEMS OF BUSINESS AND TO TAKE DECISION THEREON**
   1. The Company proposes to approve the private placement scheme for the issue of equity shares to M/s. Manipal Integrated Services Private Limited and as approved by the Board of Directors in its meeting held on 20th August, 2018 and propose to approve the issue of equity shares to M/s. Manipal Integrated Services Private Limited in accordance with the terms thereof, on a private placement and preferential basis subject to the approval of the members for consolidation of face value of equity shares as proposed under item no. 8. As the share capital of the company after the consolidation of face value will not be a round sum, this approval of share holders is being sought.
   2. The proposed offer is for subscription of 41,668 (Forty one thousand six hundred and sixty eight) Equity shares of the Company, each having a face value of Rs. 10/- (Rupees Ten only), at a price of Rs. 14.70/- (Rupees Fourteen and seventy paisa) (including a premium of Rs. 4.70 /-) per equity share aggregating to Rs. 6,12,520/- (rounded off from 6,12,519.60).
   3. The Company proposes to approve the issue and allotment of **41,668 (Forty one thousand six hundred and sixty eight) Equity Shares of the Company, each having a face value of Rs. 10/- (Rupees Ten only), at a price of Rs. 14.70/- (including a premium of Rs. 4.70/-per equity share** in accordance with the terms thereof, pursuant to a private placement and preferential basis u/s 42, 62(1)(c).
   4. The basis or justification for the price (including premium, if any) at which the offer is being made: **The price has been determined based on the Fair Market Value report dated 20th August, 2018 issued by M/s. Arihant Capital Markets Limited, Merchant Banking Division, Mumbai, A Category 1 Merchant Banker holding Certificate of permanent registration from Securities and Exchange Board of India having registration no. INM 000011070.**

A. DISCLOSURE FOR EQUITY SHARES REQUIRED UNDER SECTION 42 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

Sl.No	PARTICULARS	DISCLOSURE
1	**Particulars of the offer including date of passing of Board resolution**	The Board has approved the offer in its meeting held on 20.08.2018. 41,668 Equity Shares to be issued and allotted at a price of Rs. 14.70/- (including a premium of Rs. 4.70/-per equity share) and those shares will rank pari passu with the existing shares.
2	**Kinds of securities offered and the price at which security is being offered**	41,668 Equity Shares each having a face value of Rs. 10/- to be issued and allotted at a price of Rs. 14.70/- (including a premium of Rs. 4.70/- per equity share)
3	**Basis or justification for the price (including premium, if any) at which the offer or invitation is being made**	Price has been determined based on the valuation report dated 20th August, 2018 issued by M/s. Arihant Capital Markets Limited, Merchant Banking Division, Mumbai, A category 1 Merchant Banker.
4	**Name and address of valuer who performed valuation**	M/s. Arihant Capital Markets Limited, Merchant banking Division, Mumbai, SEBI registered Category 1 Merchant Banker. 1011, Building No. 10, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai -400 093
5	**Amount which the company intends to raise by way of such securities;**	Rs. 6,12,520/- (rounded off from 6,12,519.60)
6	**Material terms of raising such securities**	Securities issued at a premium of Rs 4.70 per share of face value Rs 10 each
7	**Proposed time schedule**	12 months from passing of the resolution.
8	**Purposes or Objects of offer**	This issue is to aid the consolidation of face value-capital of the company.
9	**Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects**	Rs. 6,12,520 (rounded off from 6,12,519.60) to be contributed by the Promoters by subscribing to these shares thereby furthering the objects of the Company.
10	**Principle terms of assets charged as securities**	NA

B. DISCLOSURE FOR EQUITY SHARES REQUIRED UNDER SECTION 62 (1) (c) READ WITH RULE 13 OF THE COMPANIES (SHARE CAPITAL & DEBENTURES) RULES, 2014

Sl.No.	PARTICULARS	DISCLOSURE
1	**Objects of the issue**	This issue is to aid the consolidation of face value-capital of the company
2	**Total number of shares to be issued**	41,668 equity shares
3	**Price or Price Band at/within which the allotment is proposed**	Rs. 14.70 per share (including premium of Rs. 4.70/- per share)
4	**Basis on which the price has been arrived at along with report of the registered valuer**	Price has been determined based on the Fair Market Value report dated 20th August, 2018 issued by M/s. Arihant Capital Markets Limited, Merchant banking Division, Mumbai, SEBI registered Category 1 Merchant Banker.
5	**Relevant date with reference to which the price has been arrived at**	31.03.2018
6	**Class or classes of persons to whom the allotment is proposed to be made**	Allotment is proposed to be made to M/s. Manipal Integrated Services Private Limited, existing shareholder of the Company.
7	**Intention of promoters, directors or key managerial personnel to subscribe to the offer**	Yes, promoters intend to subscribe to the offer.
8	**The proposed time within which the allotment shall be completed**	Within 60 days from the date of receipt of application money, in accordance with applicable law.
9	**The names of the proposed allotees and the percentage of post preferential offer capital that may be held by them**	M/s. MANIPAL INTEGRATED SERVICES PRIVATE LIMITED
10	**The change in control, if any, in the company that would occur consequent to the preferential offer**	Currently the Promoters Group hold 74.95 % of the total paid up capital of the company. By subscribing to these shares, the holding of the Promoters Group shall stand raised to 75.24%
11	**The number of persons to whom allotment on preferential basis have already been made during the year , in terms of number of securities as well as price**	No allotments have been made during the current year.
12	**The justification of the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer**	N.A.
13	**The pre issue and post issue shareholding pattern of the company**	As set out in the prescribed format below

C. THE PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY IS AS FOLLOWS

Sl.No.	CATEGORY	PRE ISSUE		POST ISSUE	
		No of shares held	**% of share holding**	**No of shares held**	**% of share holding**
A	**Promoter`s Group holding:**				
1	Indian:				
	Individual	1,16,001	3.26%	1,16,001	3.22%
	Body corporate	25,50,966	71.69%	25,92,634	72.02%
	Sub total	26,66,967	74.95%	27,08,635	75.24%
2	Foreign promoters	-	-	-	-
	Sub total (A)	26,66,967	74.95%	27,08,635	75.24%
B	**Non- promoter`s holding:**				
1	Institutional investors	-	-	-	-
2	Non institution:				
	Private corporate bodies	67,300	1.89%	67,300	1.87%
	Directors and relatives	200	0.01%	200	0.01%
	Indian public	8,23,865	23.15%	8,23,865	22.89%
	Others(including NRIs)				
	Sub Total (B)	8,91,365	25.05%	8,91,365	24.76%
	GRAND TOTAL	35,58,332	100.00%	36,00,000	100.00%

D. WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED,TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED.

Statutory register available during the business hours at the registered office of the Company.

ITEM NO. 8: APPROVAL FOR CONSOLIDATION OF FACE VALUE OF EQUITY SHARES OF THE COMPANY

1. THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-

(i) EVERY DIRECTOR AND MANAGER – NIL
(ii) EVERY OTHER KEY MANAGERIAL PERSONNEL– NIL
(iii) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THE ITEMS OF BUSINESS AND TO TAKE DECISION THEREON

Currently, the Company is an unlisted entity and the shares are not traded. The name of the Company has been removed from the Dissemination Board of BSE (the Exchange) w.e.f. January 11, 2018 subsequent to compliance with the SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and closure of the Exit offer on March 04, 2018. As per the referred SEBI circular, the company chose the Option of providing Exit opportunity to the non promoter group share holders of the company vide an Exit Offer which opened on 27/02/2017, at a price of Rs 14.18 per equity share, as per the Fair Market Value Report dated 09/01/2017 by Independent Valuer M/s. Pantomath Capital Advisors Pvt. Ltd., a SEBI registered category 1 Merchant Banker. Post the closure of the said Exit Offer on 04/03/2018, the Promoters Group share holding increased from 56.82% to current 74.95%. Subsequent to the closure of the Exit Offer some share holders have approached the company enquiring about encashment of their holdings as they were unable to offer the shares during the Exit offer period.

The consolidation of shares now proposed will provide the shareholders with liquidity and help encashment of their holding and the Company will benefit significantly by saving in costs, reduction in administrative and procedural work and legal compliances and general efficiency in corporate decision making.

Shareholders holding 182,869 equity shares which approximately accounts to 5.14% of the total paid up capital of the company have not encashed their dividend for seven consecutive years or more and therefore, their shares have been transferred to the IEPF Demat Account as per the procedures laid down by the IEPF Rules and the Companies Act, 2013.

Having a large number of shareholders is only resulting in an administrative burden to the Company and also the expenses that entail to comply with various regulatory authorities is not commensurate to the earnings and size of the company. Thus this proposal has been made to provide an exit path for the shareholders.

The proposal of consolidation is subject to the approval of the Hon'ble National Company Law Tribunal, Bengaluru Bench as it will result in a change in the voting percentage of the shareholders as envisaged under section 61(1)(b) of the Companies Act, 2013.

In view of this approval of the shareholders of the company is required under section 61(1)(b) of the Companies Act, 2013 and other applicable provisions if any, and as per the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions required from the Hon'ble Company Law Tribunal, Bengaluru Bench and other authorities, if any ***for consolidation of the Authorised, Issued, Subscribed and Paid up equity share capital of the Company having Face value of Rs. 10/- (Rupees Ten only) each fully paid-up to Rs. 20,00,000/- (Rupees Twenty Lakhs only) each fully paid-up with effect from the "Record Date" to be determined by the Board for this purpose.***

The "Record date" for the purpose of consolidation of face value of equity shares shall be decided pursuant to the approval of petition by the Hon'ble National Company Law Tribunal, Bengaluru Bench and the same shall be communicated to the shareholders

Fractional Entitlements

Any fractions arising from consolidation of Face Value-Capital shall be aggregated into whole shares and the number of shares so arising shall be transferred without requiring any further action to a Trust to be formed/appointed for this purpose by the Board of Directors of the Company. The Trust shall sell consolidated shares held on behalf of the fractional equity shareholders and distribute the net sale proceeds of all such fractional amongst the shareholders in proportion to their entitlement over such such fractional shares after payment of all costs, charges and expenses of such sale.

In case of non-resident shareholders, the payment of consideration in lieu of fractional entitlements would be subject to the provisions of Foreign Exchange Management Act, 1999 and any approvals from the Reserve Bank of India, as may be required.

3. WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED, TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED.

The revised Memorandum of Association of the Company are available for inspection during business hours at the registered office of the Company.

ITEM NO. 9: ALTERATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY AND MEMORANDUM OF ASSOCIATION OF THE COMPANY

1. THE NATURE OF CONCERN OR INTEREST, FINANCIAL OR OTHERWISE IN RESPECT OF EACH ITEMS IF ANY OF-

(i) EVERY DIRECTOR AND MANAGER – NIL
(ii) EVERY OTHER KEY MANAGERIAL PERSONNEL– NIL
(iii) RELATIVES OF THE PERSON MENTIONED IN (I) & (II) – NIL

2. ANY OTHER INFORMATION AND FACTS THAT MAY ENABLE MEMBERS TO UNDERSTAND THE MEANING, SCOPE AND IMPLICATIONS OF THE ITEMS OF BUSINESS AND TO TAKE DECISION THEREON

Approval of the shareholders of the Company is required under section 4, 13, 61 of the Companies Act, 2013 and other applicable provisions if any, and the Articles of Association of the Company, to alter the Authorised Share Capital of the Company with effect from the "Record Date" and subject to consents, approvals, permissions and sanctions, required from Hon'ble National Company Law Tribunal, Bengaluru Bench and other authorities, if any

from

Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

to

Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 50 (fifty) Equity Shares of Rs. 20,00,000/- (Twenty Lakhs only) each.

The approval of the shareholders of the Company is also required to alter the existing clause V of the memorandum of association of the company as follows with effect from the "Record Date". The amended clause would read as follows:

"V. The Authorised Share Capital of the company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 50 (fifty) Equity Shares of Rs. 20,00,000/- (Twenty Lakhs only) each.

The "Record date" for the purpose of alteration of Capital Clause of the Memorandum of Association of the Company shall be decided pursuant to the approval of petition by the Hon'ble National Company Law Tribunal, Bengaluru Bench and the same shall be communicated to the shareholders

3. WHERE ANY ITEM OF BUSINESS REFERS TO ANY DOCUMENT WHICH IS TO BE CONSIDERED, TIME AND PLACE WHERE SUCH DOCUMENT CAN BE INSPECTED SHALL BE SPECIFIED.

The revised Memorandum of Association of the Company is available for inspection during business hours at the registered office of the Company.

By Order of the Board
For MEMG SECURITIES LIMITED

Sd/-
D Sreepathi
Whole Time Director
DIN : 00958235

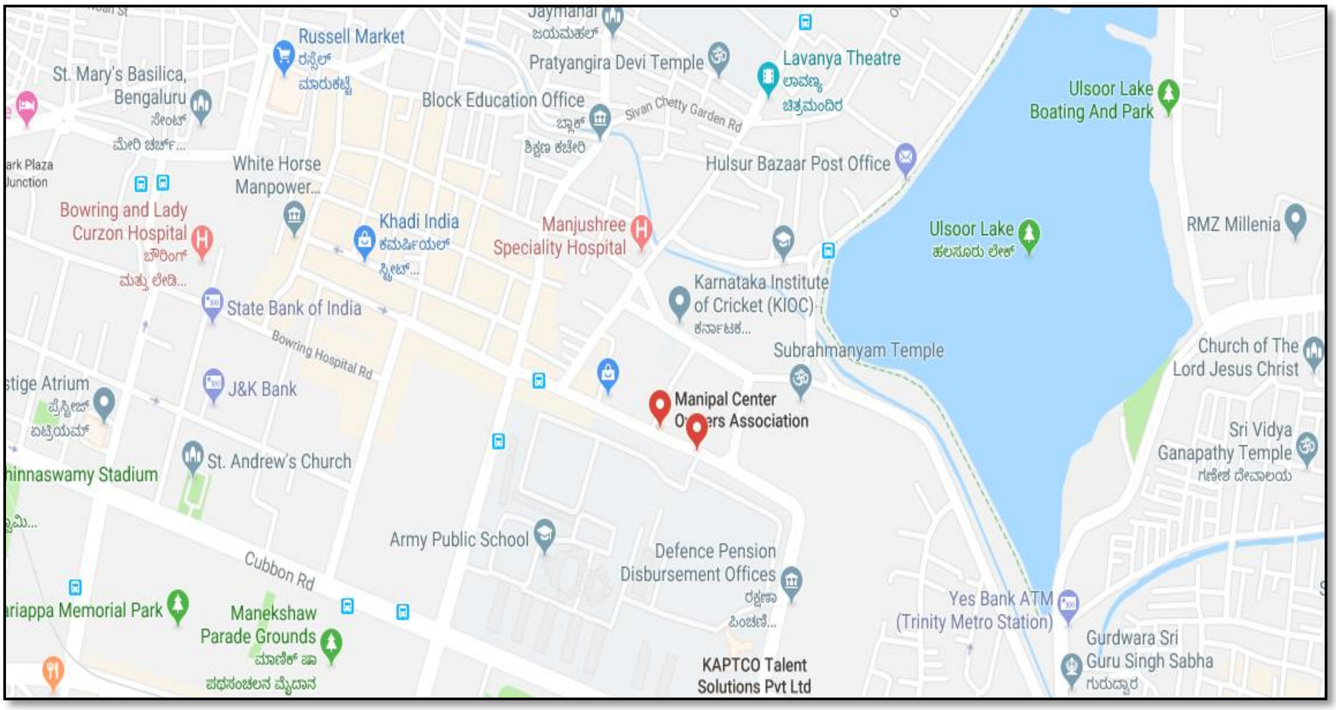
Date: 20.08.2018
Place: Bengaluru

ANNEXURE TO NOTICE OF AGM

A. Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting in pursuance to Secretarial Standard 2 issued by the Institute of Company Secretaries of India

Sl. No.	**Particulars/ Name of the Director**	**Mr. Donakal Sreepathi**	**Mr. Shridhar Srikantiah Gargeshwari**	**Mr. Ranjan Ramdas Pai**
1	DIN	00958235	00106780	00863123
2	Date of Birth and Age	15/04/1961, 57years	01/06/1969,49years	11/11/1972, 46 years
3	Nationality	Indian	Indian	Indian
4	Date of appointment on Board	01/11/2004	01/11/2004	29/05/2015
5	Terms & Condition of appointment/ re-appointment	As detailed in the AGM Notice	As detailed in the AGM Notice	N.A.
6	Remuneration proposed	As detailed in the AGM Notice	As detailed in the AGM Notice	N.A.
7	Remuneration last drawn	Rs. 18,24,311/-	Rs. 17,08,349/-	N.A.
8	No. of shares held in the Company	200	301 (300 Equity shares jointly held)	Nil
9	Qualification & Expertise in specific functional area	B.Com., F.C.A.	B.E., M.B.A.	M.B.B.S.
10	No. of Board Meetings Attended during the F.Y. 2017-18	5	5	5
11	List of other Companies in which Directorships held as on 31st March, 2018	Nil	Nil	1. Sacred Hospitality Company Private Limited 2. Embassy Office Parks Management Services Private Limited 3. Manipal Education And Healthcare Initiative 4. Manipal Global Education Services Private Limited 5. MEMG International India Private Limited 6. Manipal Inovation And Design Private Limited 7. Manipal Healthcare Private Limited 8. Manipal Health Sytems Private Limited 9. Manipal Cure And Care Private Limited 10. Manipal Health Enterprises Private Limited 11. RSP Sprots Management Private Limited
12	Chairman/ Member of the Committee of the Board of other Companies in which he/she is a Director as on 31st March, 2018	Nil	Nil	Nil
13	Disclosure of relationship between Directors, Managers and Key Managerial Personnel inter se	Nil	Nil	Nil

AS PER SECRETARIAL STANDARD 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ROUTE MAP FOR AGM TO BE HELD ON WEDNESDAY THE 26TH DAY OF SEPTEMBER, 2018 AT 4.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY



DIRECTORS' REPORT

To,

The Shareholders

MEMG SECURITIES LIMITED

Your Directors have pleasure in presenting for your consideration and approval the Twenty Third Report of the Board with the Audited Financials of the Company for the year ended March 31, 2018.

FINANCIALS (Rs. in Lakhs)

	Year ended March 2018	Year ended March 2017
Total Income	174.95	258.84
Total Expenses	160.60	226.91
Profit Before Depreciation	14.35	31.93
Less: Depreciation	18.84	28.04
Profit /(loss) Before Tax	(4.49)	3.89
Less: Tax expenses / (Credit)	(2.52)	(0.07)
Profit for the year	(1.97)	3.96
Other Comprehensive income for the year (Net of Tax)	1.42	0.17
Total Comprehensive income for the year	(0.55)	4.13

PERFORMANCE OF THE COMPANY DURING THE YEAR

During the year, the Company earned a gross income of Rs. 1,74,94,565/- as against Rs. 2,58,83,850/- in the previous year. The Income from operations comprised of brokerage income from domestic investors (including brokerage from Mutual Funds and other financial products distribution) of Rs. 1,25,64,850/- as against Rs. 1,23,14,928/- for previous year and the service charges received, is Rs. 10,28,460/- against Rs. 89,71,817/- for previous year.

The Company's only segment being stock broking comprises of one customer which have contributed more than 10% of the revenue during the year amounting to Rs.14,96,627/- against Rs. 89,71,817/- for previous year.

The Company has incurred a net loss of Rs. 1,97,458/- during the year as against a net profit of Rs. 3,96,362/- in the previous year.

The agency business for Fixed Deposits and other Debt products of various companies like HDFC Ltd., M&M Financial Services Ltd. and Bajaj Finance Ltd. along with distribution of mutual fund products is continued.

DIVIDEND

In view of the inadequate profits by the Company, your Directors have not recommended any dividend for the financial year 2017-18.

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the amounts of dividend remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and, thereafter, payments of unpaid/unclaimed dividend shall be made by the IEPF in respect of such amounts. The Company has already transferred all unclaimed dividends declared upto the financial year 2009- 2010 to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund. The Company has already transferred the shares related to the same to the Investor Education and Protection Fund and that any claimant of shares transferred shall be entitled to claim the transfer of shares from Investor Education and Protection Fund.

The procedure to claim the shares/ unclaimed dividend amount transferred to Investor Education and Protection Fund is provided in the Company's website www.memgsecurities.com.

AMOUNTS IF ANY, THE BOARD PROPOSES TO CARRY TO ANY RESERVES

No such amount has been proposed by Board.

STATE OF THE COMPANY'S AFFAIRS - FUTURE OUTLOOK

The Global Trade wars and upward trend in interest rates in most of the developed markets especially USA has resulted in Reserve Bank of India tightening interest rates in India in the past few quarters. These factors along with the forthcoming state elections in December 2018 and General election in April /May 2019 would keep the Capital Markets volatile and as such may not be favourable to short term trades. This will affect the trading volumes and as such earnings from brokerage on equities in the coming financial year.

Your company will strive hard to increase the number of customers and offer various investment products to improve the earnings and performance.

LISTING

Your Company continues to be an un-listed Company.

EXIT OFFER TO PUBLIC SHARE HOLDERS as Per SEBI Circular

In accordance with the SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 ("SEBI Circular") the Promoter Manipal Education & Medical Group India Pvt. Ltd. had provided an Exit Offer to public shareholders of the Company by an invitation to tender their fully paid-up Equity Shares of Rs. 10/- held in the Company to them, at an Exit Price of Rs. 14.18/- per Equity Share subject to the terms and conditions provided in the Exit Offer document which was dispatched to all Shareholders of the Company, who were shareholders of the Company as on 18/01/2017.

By way of a public announcement dated 02/02/2017 ("Original PA"), the Promoters made an offer seeking to acquire up to 15,37,305 Equity Shares, representing 43.20% of the paid-up equity share capital of the Company ("Offer Shares") from the public shareholders of the Company ("Exit Offer") and consequently to Exit from the Dissemination Board of BSE Limited ("BSE"), in accordance with the SEBI Circular. Pursuant to the acquisition of the offered shares validly tendered by the public shareholders in the Exit Offer, the Promoters will hold upto 34,42,331 Equity Shares representing 96.74% of the fully paid-up equity share capital of the Company. The Initial Offer was open from 27/02/2017 to 04/03/2017.

As per the terms of the referred SEBI circular the final exit opportunity to remaining public shareholders who have not tendered their shares in the Exit Offer / whose tender of Offer Shares has been rejected in the Exit Offer ("Residual Shareholders"), to participate in the acquisition process which was open from 05/03/2017 till 04/03/2018 ("Exit Period"), at the Exit Price of Rs. 14.18/- per Equity Share on the terms and subject to the conditions as set out in the Exit Offer Letter.

Pursuant to Compliance of the above referred circular, the name of the Company has been removed from the Dissemination Board of BSE (the Exchange) w.e.f. January 11, 2018.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF ITS SUBSIDIARIES

As per section 129(3) of the Companies Act, 2013 read with Rule 5, Companies (Accounts) Rules, 2014, the provisions are not applicable and hence no disclosures have been made.

VIGIL MECHANISIM

As per section 177(10) of the Companies Act, 2013 the details of establishment of mechanism which will facilitate directors and employees to report genuine concerns is not applicable and hence no disclosures have been made.

PARTICULARS OR CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Your Company has not entered into contracts or arrangements with related parties.

TECHNOLOGY ABSORPTION, ENERGY CONSERVATION AND FOREIGN EXCHANGE EARNING AND OUT GO

Foreign exchange:

Earnings: Nil

Outgo: Nil

Since the Company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, are not applicable.

DIRECTORS

As a good governance practice disclosing the composition of the Board at the beginning of the financial year, appointments made during the year, resignation at the end of the financial year is made as below:

Mr. D. Sreepathi (DIN - 00958235) and Mr. G. S. Shridhar (DIN - 00106780),were re-appointed as Whole-time Directors of the Company for a period of 1year w.e.f. 1st November, 2017 and their appointment and terms and condition including remuneration was confirmed by the shareholders in the 22nd Annual General Meeting of the Company held on 28th September, 2017.

STATUTORY AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No. 101720W) was appointed as the Statutory Auditors of the Company to hold office of the Auditors of the Company from the conclusion of the 22nd Annual General Meeting till the conclusion of the 23rd Annual General Meeting of the Company.

The Company approached M/s. Pathak H D & Associates, Chartered Accountants (Firm Registration No. 107783W) to be appointed as the statutory auditors of the Company in place of M/s. Chaturvedi & Shah from the conclusion of the ensuing Annual General meeting till the conclusion of the Annual General meeting to be held for the financial year 2022-23 subject to the approval of the shareholders of the company in the ensuring Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

INTERNAL AUDIT & CONTROLS

The Company engages M/s. Muralidhar R Kini, Chartered Accountants, Manipal, (Membership No. 022584) as its Internal Auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of business processes as prescribed by the exchanges and the regulators, for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed and acted upon and suitable corrective actions taken as per the directions of the Board on an ongoing basis to improve efficiency in operations.

THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company currently follows adequate internal control mechanisms.

HOLDING COMPANY

Manipal Education and Medical Group India Private Limited, Holding Company of the Company has been merged with Manipal Integrated Service Private Limited vide NCLT order dated 23rd March, 2018. As on 31st March, 2018 Manipal Integrated Service Private Limited holds 25,50,966 Equity Shares (71.69%) in the Company and is therefore the Holding Company of the Company.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. IND AS is applicable to the holding Company i.e. Manipal Integrated Service Private Limited and as per Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 the same is applicable to its Subsidiary and Associate Company also. In view of this, the Company, being a subsidiary of Manipal Integrated Services Private Limited, is also subject to IND – AS. Thus Ind AS is applicable to your Company w.e.f. 1st April, 2017 and the Accounts have been prepared accordingly. The financial statement for F.Y. 2016-17 has been re-grouped/revised to make it comparable with the financial statement for 2017-18.

DEPOSITS

Your Company has not accepted any deposits from the public for the year under consideration.

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There has been no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

RISK MANAGEMENT POLICY

Section 177(4)(vii) requires every listed company and/or class of companies prescribed to have a risk management policy evaluated by their Audit Committee and reflect in their internal control mechanisms.

Since the Company does not fall under this criteria, this section is not applicable.

DISCLOSURES/ REQUIREMENTS MANDATED UNDER THE PREVENTION OF SEXUAL HARRASSEMENT ACT

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SCETION 186

As per section 186 of the Companies Act, 2013 the Company has not granted nor obtained loans, guarantee or investments during the year under review.

SHARE CAPITAL OF THE COMPANY

The paid up Share Capital as on 31st March, 2018 was Rs. 3,55,83,320/- divided into 35,58,332 equity shares of Rs. 10/- each. During the year under review, the Company has not issued any shares and even no shares were issued with differential voting rights. It has neither issued Employee Stock Options nor Sweat Equity Shares and does not have any scheme to fund its employees to purchase the shares of the Company.

EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is placed in the Company's website www.memgsecurities.com.

BOARD MEETING DURING THE YEAR UNDER REVIEW

The Company held five Board meeting during the year under review as follows:

Period	Date of the Board Meeting
April 1, 2017 – June 30, 2017 (Q1)	April 28th, 2017
July 1, 2017 – September 30, 2017 (Q2)	July 24th, 2017, September 28th, 2017
October 1, 2017 – December 31, 2017 (Q3)	November 7th, 2017
January 1, 2018 – March 31, 2018 (Q4)	5th March, 2018

GENERAL MEETING DURING THE PERIOD UNDER REVIEW

Type of Meeting	Date of the Meeting
Annual General Meeting	September 28th, 2017

DISCLOSURES ABOUT CORPORATE SOCIAL RESPONSIBILITY POLICY

The provisions of section 135 of Companies Act, 2013 is not applicable to the Company and hence no disclosures have been made.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility statement:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the directors had prepared the annual accounts on a going concern basis.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees whose remuneration exceeded the limit prescribed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS' REPORT

There has been no qualification, reservation or adverse remark in the auditor's report during the period under review

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation of the support extended by the Shareholders, the Stock Exchanges, Brokers and Banks and Members of Staff of the Company during the year under report.

For and on behalf of the Board
For MEMG Securities Limited

	Sd/-	*Sd/-*
Date: 20.08.2018	D. Sreepathi	G.S. Shridhar
Place: Bengaluru	Whole Time Director	Whole Time Director
	(DIN 00958235)	(DIN 00106780)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MEMG SECURITIES LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of MEMG Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. 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 the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Ind AS under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening Balance Sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India audited by M/s Pathak H. D. & Associates, Chartered Accountants (predecessor auditor), whose report for the year ended March 31, 2017 and March 31, 2016 dated July 24, 2017 and July 25, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of the aforesaid matter.

Report on Other Legal and Regulatory Requirements

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

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

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) the Balance Sheet, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued thereafter;

e) on the basis of the 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 of Section 164 (2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigations which would impact its financial position - Refer Note No. 31 to the Ind AS financial statements;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note No. 32 to the Ind AS financial statements;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 08, 2016 to December 30, 2016 which are not relevant to these Ind AS financial statements. Hence, reporting under this clause is not applicable.

FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration Number : 101720W

Lalit R Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: 20.08.2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the Annexure "A" referred to in our report to the members of MEMG Securities Limited ('the Company') for the year ended March 31, 2018, we report that :

i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments (PPE).

   b) All the PPE of the Company have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no discrepancies were noticed on such verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii) Paragraph 3(ii) of the Order is not applicable, since the Company does not carry any inventories.

iii) As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties listed in the register maintained under Section 189 of the Act. Consequently requirements of paragraph 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.

iv) As per the information and explanation given to us, the Company has not given any loans, made investments, guarantees, security to the parties covered under section 185 and Section 186 of the Act. Consequently requirement of paragraph 3(iv) of the Order is not applicable to the Company.

v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, provision of paragraph 3(v) of the Order is not applicable to the Company. There are no orders from Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi) The Central Government has not prescribed maintenance of cost records to the Company under sub-section (1) of Section 148 of the Act.

vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has generally been regular in depositing the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, sales tax, service tax, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of Customs and duty of Excise.

   According to the information and explanations given to us, no undisputed statutory dues were outstanding for a period of more than six months, as on the last day of the financial year.

b) According to the information and explanation given to us and records of the Company, there are no dues of income tax, goods and service tax, sales tax, service tax, value added tax or cess or other material statutory dues which have not been deposited on account of any dispute.

viii) According to the information and explanation given to us and records of the Company, the Company has neither taken any loans or borrowings from financial institutions, banks and Government nor has issued any debentures to any party. Accordingly the question of default doesn't arise.

ix) According to the information and explanation given to us and records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.

x) During the course of examination of books of account 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 not come across with any material fraud by the Company or any fraud on Company by its officers or employees, noticed or reported during the year, nor have been informed of such case by the Management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the adequate approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company, during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) of the Order is not applicable.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration Number : 101720W

Lalit R Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: 20.08.2018

ANNEXURE "B "TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **MEMG Securities Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

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

Opinion

In our opinion, to the best of our information and according to the explanations given 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR CHATURVEDI & SHAH
Chartered Accountants
Firm Registration Number : 101720W

Lalit R Mhalsekar
Partner
Membership Number: 103418
Place: Mumbai
Date: 20.08.2018

MEMG Securities Limited

CIN : U65110KA1995PLC017907

Balance Sheet as at March 31, 2018

Amount in Rupees

Particulars	**Notes**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
ASSETS				
Non-Current Assets				
Property, plant and equipment	3	13,064,591	16,908,685	19,654,294
Intangible assets	4	4,252	22,116	44,783
Financial assets				
Investments	5	204,650	204,650	204,650
Loans	6	11,677,783	14,149,900	14,350,000
Other financial assets	7	25,600,000	25,600,000	25,600,000
Other non-current assets	8	43,470	85,904	409,160
Income tax asset (net)	20	1,726,473	1,771,476	1,540,352
Total		**52,321,219**	**58,742,731**	**61,803,239**
Current Assets				
Financial assets				
Investments	5	13,953,249	9,652,627	8,972,146
Trade receivables	10	1,683,633	10,349,700	4,690,209
Cash and cash equivalents	11	16,151,091	6,199,457	3,365,094
Bank balances other than above	12	-	136,902	303,155
Loans	6	-	-	40,000
Other current assets	9	598,408	207,443	702,835
Total		**32,386,381**	**26,546,129**	**18,073,439**
TOTAL ASSETS		**84,707,600**	**85,288,860**	**79,876,678**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	35,583,320	35,583,320	35,583,320
Other equity	14	28,222,220	28,277,580	27,864,473
Total		**63,805,540**	**63,860,900**	**63,447,793**
Liabilities				
Non-Current Liabilities				
Deferred tax liabilities (net)	20	806,596	1,008,213	1,009,583
Total		**806,596**	**1,008,213**	**1,009,583**
Current Liabilities				
Financial liabilities				
Borrowings	15	-	8,745	-
Trade payables	16	18,045,594	16,927,698	10,987,262
Other financial liabilities	17	544,945	1,579,062	1,427,590
Other current Liabilities	18	1,039,962	1,829,949	2,921,255
Provisions	19	464,963	74,293	83,195
Total		**20,095,464**	**20,419,747**	**15,419,302**
TOTAL EQUITY AND LIABILITIES		**84,707,600**	**85,288,860**	**79,876,678**
Significant accounting policies	1			

The accompanying notes form an integral part of the IND AS financial statements.

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board of Directors of MEMG Securities Limited

Lalit R Mhalsekar
Partner
Membership No.: 103418
Place: Mumbai
Date: 20.08.2018

D Sreepathi
Whole-Time-Director
DIN: 00958235
Place : Bengaluru
Date: 20.08.2018

G S Shridhar
Whole-Time-Director
DIN: 00106780
Place : Bengaluru
Date: 20.08.2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rupees).

Particulars	Notes	March31,2018	March31,2017
INCOME			
Revenue from operations	21	13,593,310	21,286,745
Other operating revenue	22	3,013,661	3,892,403
Other income	23	887,594	704,702
TOTAL INCOME		**17,494,565**	**25,883,850**
EXPENSES			
Employees benefits expense	24	8,569,927	8,124,640
Depreciation and amortization expense	25	1,883,936	2,804,116
Finance costs	26	104,867	126,683
Other expenses	27	7,384,912	14,439,226
TOTAL EXPENSES		**17,943,642**	**25,494,665**
Profit/(loss) before tax		**(449,077)**	**389,185**
Tax expenses			
Current tax	20	-	-
Deferred tax expense (credit)	20	(251,619)	(7,177)
Income tax expense		**(251,619)**	**(7,177)**
Profit/(loss) for the year		**(197,458)**	**396,362**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		192,100	22,552
Income tax effect - credit / (expense)		(50,002)	(5,807)
Other comprehensive income for the year (net of tax)		**142,098**	**16,745**
Total comprehensive income for the year		**(55,360)**	**413,107**
Earnings per equity share of face value of Rs. 10/- each	30		
Basic and Diluted (in Rupees)		(0.06)	0.11

Significant accounting policies 1

The accompanying notes form an integral part of the IND AS financial statements.
As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board of Directors of
MEMG Securities Limited

Lalit R Mhalsekar
Partner
Membership No.: 103418
Place: Mumbai
Date: 20.08.2018

D Sreepathi
Whole-Time-Director
DIN: 00958235
Place : Bengaluru
Date: 20.08.2018

G S Shridhar
Whole-Time-Director
DIN: 00106780
Place : Bengaluru
Date: 20.08.2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rupees.)

Particulars	Equity share capital	Other equity			Total equity
		General Reserve	Securities Premium	Retained earnings	
Balance as at April 1, 2016	**35,583,320**	**10,042,529**	**21,579,910**	**(3,757,966)**	**63,447,793**
Changes in equity for the year ended March 31, 2017					
Issue of share capital	-	-	-	-	-
Profit / (loss) for the year	-	-	-	396,362	**396,362**
Other comprehensive income					
Re-measurement gains/(loss) on defined benefit plans (net of tax)	-	-	-	16,745	**16,745**
Balance as at March 31, 2017	**35,583,320**	**10,042,529**	**21,579,910**	**(3,344,859)**	**63,860,900**
Changes in equity for the year ended March 31, 2018					
Issue of share capital	-	-	-	-	-
Profit / (loss) for the year	-	-	-	(197,458)	**(197,458)**
Other comprehensive income					
Re-measurement gains/(loss) on defined benefit plans (net of tax)	-	-	-	142,098	**142,098**
Balance as at March 31, 2018	**35,583,320**	**10,042,529**	**21,579,910**	**(3,400,219)**	**63,805,540**

The accompanying notes form an integral part of the IND AS financial statements.

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

Lalit R Mhalsekar
Partner
Membership No.: 103418
Place: Mumbai
Date: 20.08.2018

For and on behalf of the Board of Directors of
MEMG Securities Limited

D Sreepathi
Whole-Time-Director
DIN: 00958235
Place : Bengaluru
Date: 20.08.2018

G S Shridhar
Whole-Time-Director
DIN: 00106780
Place : Bengaluru
Date: 20.08.2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rupees.)

Particulars	March 31, 2018	March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	**(449,077)**	**389,185**
Adjustments for :		
Depreciation	1,883,936	2,804,116
(Profit)/ loss on sale of asset	297,418	-
Sundry balances written off	-	7,842
Interest expenses	104,867	126,683
Interest income	(1,894,496)	(2,294,764)
Dividend income	(19,856)	(8,743)
Net gain /(loss) on fair valuation of Investments	(800,621)	(580,481)
Re-measurement of defined benefit plans	192,100	22,552
Operating profit/(loss) before working capital changes	**(685,729)**	**466,390**
Adjustments for :		
Decrease /(increase) in trade receivables and others	10,789,653	(4,600,743)
Increase /(decrease) in trade and other payables	(178,636)	5,150,111
Cash from / (used in) operating activities before tax	**9,925,288**	**1,015,758**
Income Tax (paid)/refund (net)	45,003	(231,124)
Net cash from / (used in) operating activities	**9,970,291**	**784,634**

Contd.

Particulars	March 31, 2018	March 31, 2017
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(50,400)	(35,840)
Proceeds from sale of property, plant and equipment	1,731,003	-
Decrease /(increase) in current investments	(3,500,000)	(100,000)
Dividend received	19,856	8,743
Interest received	1,894,496	2,294,764
Net cash from (used in) investing activities	**94,955**	**2,167,667**
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in borrowings	(8,745)	8,745
Interest paid	(104,867)	(126,683)
Net cash from (used in) financing activities	**(113,612)**	**(117,938)**
Net increase/ (decrease) in cash and cash equivalents	9,951,634	2,834,363
Add: Cash and cash equivalent as at beginning of the year	6,199,457	3,365,094
Cash and cash equivalent as at end of the year	**16,151,091**	**6,199,457**
Break-up of cash and cash equivalents		
Cash on hand	4,696	9,167
Balances with banks:		
in current accounts	16,146,395	6,190,290
Cash and cash equivalent as at end of the year	**16,151,091**	**6,199,457**

Notes :

1 The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash Flows as referred to in Section 133 of the Companies Act, 2013.

2 Effective from April 1, 2017, the company adopted the amendment to Ind AS 7, which requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. Since the Company has adopted amendments to Ind AS 7 for the first time during the year, previous year reconciliations are not given. The reconciliation is given as below:

Amount in Rupees

Particulars	March31,2018
Short Term Borrowings	
Opening Balance	8,745
Proceeds / (repayment) of short term borrowings (net)	(8,745)
Non-cash fair value changes	-
Closing balance	-

The accompanying notes form an integral part of the IND AS financial statements.
As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

Lalit R Mhalsekar
Partner
Membership No.: 103418
Place: Mumbai
Date: 20.08.2018

For and on behalf of the Board of Directors of
MEMG Securities Limited

D Sreepathi
Whole-Time-Director
DIN: 00958235
Place : Bengaluru
Date: 20.08.2018

G S Shridhar
Whole-Time-Director
DIN: 00106780
Place : Bengaluru
Date: 20.08.2018

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

1.1 COMPANY OVERVIEW

MEMG Securities Limited (formerly ICDS Securities Limited) is an Securities Broking Company incorporated in the year 1995 having its registered office at N-115, North Block, Manipal Centre, Dickenson Road, Bengaluru. The Company is a corporate member of National Stock Exchange of India Limited, The Bombay Stock Exchange Limited and the Metropolitan Stock Exchange of India Limited.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. These financial statements are called "Ind AS Financial Statements".

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP / previous GAAP).

The Company has prepared Ind AS financial statements for the first time for the year ended March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies on a going concern basis. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.

The standalone Ind AS financial statements are presented in 'Indian Rupees' (INR) which is also the Company's functional currency.

Basis of measurement
The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:
i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);
ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO").

Current versus non-current classification
"The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is treated as current when:
a) It is expected to be settled in normal operating cycle
b) It is held primarily for the purpose of trading
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."
All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.3 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

0.01 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

"Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) Contingent liability: Contingent liabilities are not recognized in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

ii) Income taxes: Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iii) Measurement of defined benefit obligations: Key actuarial assumptions used for actuarial valuation.

iv) Impairment of financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments

v) Property, plant and equipment: Useful life of asset.

vi) Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured at Discounted cash flows where available or face value when it closely approximates the fair value where reliable financial and other information available and all other cases measured at nominal value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk ,volatility and inputs on average borrowing rate applicable to company. The fair value of unquoted financial instruments are measured at the value in which it is being transacted in the unquoted market as per the reliable financial and other information is available with the management.

vii) Other estimates: The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

0.02 Measurement of fair values

Some of the Company’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

0.03 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any.

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

0.04 Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line method at the rates and in the manner specified in the Schedule II to the Companies Act, 2013. Software is amortised over a period of three years. Depreciation for assets purchased / sold during the year is proportionately charged. Fixed Asset individually costing less than Rs.5,000/- are depreciated @ 100% in the year of acquisition. In respect of customer specific assets sourced for providing customised service solutions for the specific customer has been depreciated over the period of specific service.

0.05 Impairment of property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

0.06 Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of an asset are capitalized as part of the cost of that asset till the date of capitalization of qualifying asset. Other borrowing costs are recognized as expenses in the period in which they are incurred.

0.07 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

0.08 Revenue

Revenue is measured at the fair value of consideration received or receivable, net of applicable taxes. Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

Brokerage (net of service tax) from stock broking is accounted on confirmation of trades up to the last trading date of the year. Revenue from services and other income are recognised on accrual basis.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

0.09 Financial instruments

Financial assets

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement financial assets

On initial recognition, a financial asset is classified and measured at:

- amortised cost;

- Fair Value through other comprehensive income (FVOCI) - debt investment;

- Fair Value through other comprehensive income (FVOCI) - equity investment; or

- Fair Value through profit and loss (FVTPL)

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding. A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and

- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis. All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL	-These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.
Financial assets at amortised cost	-These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.
Debt investments at FVOCI	-These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

c) Impairment of financial assets

The Company assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

d) Expected Credit Loss (ECL) :

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

e) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financials guarantee contracts issued by the holding company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Fair value of cost of availing the financial guarantee is recognized initially as an asset giving corresponding affect to a component in other equity. The asset so recognized is amortised to the statement of profit and loss over the period of such guarantee availed.

Derecognition

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

0.10 Employee benefit

(a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurements of the net defined liability or asset through other comprehensive income.

Remeasurement of the net defined liability or asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

(b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the actual as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(d) Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

0.11 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non- monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)

- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and

- qualifying cash flow hedges to the extent that the hedges are effective.

0.12 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. Deferred tax is not recognised for :

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

0.13 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contract: A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

0.14 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

0.15 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

0.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

0.17 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. The company does not have potential dilutive equity shares outstanding during the period.

0.18 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Board of Directors evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Company is engaged in the business of broking in securities and is considered by chief operating decision maker (CODM) as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable secondary geographical segments.

1.4 New and amended Ind AS effective as on April 1, 2017

As per Companies (Indian Accounting Standards) Amendment Rules, 2017, the Company has adopted following amendments made to Ind AS for annual periods beginning on or after 1st April, 2017:

Ind AS 102 - Share based payments

The amendments to Ind AS 102 addresses three classification and measurement issues. These relate to measurement of cash-settled awards, modification of cash-settled awards and equity settled awards that include a 'net settlement' feature in respect of withholding taxes. Amendments to Ind AS 102 does not have an impact on the financial position of the company.

Ind AS 7 - Statement of Cash Flows

The amendments to Ind AS 7 introduces an additional disclosures that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from i) cash flows, such as draw downs and repayments of borrowings, ii) non-cash changes (ie., changes in fair values), changes resulting from acquisitions and disposals of subsidiaries/businesses and the effect of foreign exchange differences.

The Management is of the opinion that the disclosure requirements contained therein have been fully adhered to and are appropriately disclosed in the Statement of Cash Flows forming part of these financial statements and there is no material implication which is necessary to be effected in the statement of cash flows.

1.5 Introduction of new standards and amendments to existing standards issued but not effective as on April 1, 2017

A) The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules') on March 28, 2018. The amendments are applicable to the Company from April 01, 2018. The amendments made in the Rules are with respect to the following standards:

i. New Standard Ind AS 115, 'Revenue from Contracts with Customers' which supersedes Ind AS 11, 'Construction Contracts' and Ind AS 18, 'Revenue' and consequential amendments to other Ind AS due to notification of Ind AS 115.

ii. Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates' clarifying that the date of the transaction, for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income, should be the date on which an entity initially recognises the non-monetary asset or liability arising from the advance consideration.

iii. Amendments to Ind AS 12, 'Income Taxes', clarifying the requirements for recognising deferred tax assets on unrealised losses. The amendments further clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets.

B) These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IFRS 15, ‘Revenue for Contracts with Customers’, IAS 21, ‘The Effects of Changes in Foreign Exchange Rates ’ and IAS 12, 'Income Taxes' respectively.

i. Ind AS 40- Investment Property, Ind AS 28-Investment in Associates and Joint Ventures, Ind AS 112- Disclosure of Interests in Other entities have also been amended with effect from 1st April 2018 which are not applicable to the financial statements of the Company.

ii. The Company is currently evaluating the requirements of the amendment and has not yet determined the impact on the financial statements. The Management however believes that the implication on financial statement of the above mentioned standards if any will not be material.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

2 First Time Adoption of Ind AS

The Company has prepared these financial statements in accordance with Ind AS for the first time, for the year ended March 31, 2018 with comparative figures of the previous year. For periods up to and including the year ended March 31, 2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP/previous GAAP).

The Company, accordingly has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the company’s opening balance sheet was prepared as at April 1, 2016, the company’s date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017 and March 31, 2018.

Exemptions applied:

I Mandatory exceptions:

Estimates

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- impairment of financial assets based on expected credit loss model

The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS, as of March 31, 2017.

Derecognition of financial assets and financial liabilities

The company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

II Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Impairment of financial assets: (Trade receivables and other financial assets)

At the date of transition to Ind ASs, the Company has determined that there significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the Company has recognised a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised (unless that financial instrument is low credit risk at a reporting date).

Optional exemptions:

Deemed cost - Previous GAAP carrying amount: (PPE and Intangible Assets)

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its PPE and intangible assets as recognised in its Indian GAAP financial as deemed cost at the transition date after making necessary adjustments for de-commissioning liabilities.

Balance sheet as at April 1, 2016 - Ind AS

2.01 Reconciliation of equity as previously reported under IGAAP to IND AS

(Amount in Rupees.)

Particulars	Note No.	Balance sheet as at April 1, 2016			Balance sheet as at March 31, 2017		
		IGAAP	Effect of Transition to Ind AS	Ind AS	IGAAP	Effect of Transition to Ind AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	3	19,654,294	-	19,654,294	16,908,685	-	16,908,685
Intangible assets	4	44,783	-	44,783	22,116	-	22,116
Financial assets							
Investments	5	204,650	-	204,650	204,650	-	204,650
Loans	6	14,350,000	-	14,350,000	14,149,900	-	14,149,900
Other financial assets	7	25,600,000	-	25,600,000	25,600,000	-	25,600,000
Other non-current assets	8	409,160	-	409,160	85,904		85,904
Income tax asset (net)	20	1,540,352	-	1,540,352	1,771,476	-	1,771,476
		61,803,239	**-**	**61,803,239**	**58,742,731**	**-**	**58,742,731**
Current Assets							
Financial assets							
Investments	5	8,500,000	472,146	8,972,146	8,600,000	1,052,627	9,652,627
Trade receivables	10	4,690,209	-	4,690,209	10,349,700	-	10,349,700
Cash and cash equivalents	11	3,365,094	-	3,365,094	6,199,457	-	6,199,457
Bank balances other than above	12	303,155	-	303,155	136,902	-	136,902
Loans	6	40,000	-	40,000	-	-	-
Other financial assets	7	-		-	-	-	-
Other current assets	9	702,835	-	702,835	207,443	-	207,443
		17,601,293	**472,146**	**18,073,439**	**25,493,502**	**1,052,627**	**26,546,129**
TOTAL ASSETS		**79,404,532**	**472,146**	**79,876,678**	**84,236,233**	**1,052,627**	**85,288,860**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital	13	35,583,320	-	35,583,320	35,583,320	-	35,583,320
Other equity	14	27,512,115	352,358	27,864,473	27,523,745	753,835	28,277,580
Total equity		**63,095,435**	**352,358**	**63,447,793**	**63,107,065**	**753,835**	**63,860,900**
LIABILITIES							
Non-Current Liabilities							
Deferred tax liabilities (net)	20	852,016	157,567	1,009,583	746,782	261,431	1,008,213
		852,016	**157,567**	**1,009,583**	**746,782**	**261,431**	**1,008,213**
Current Liabilities							
Financial liabilities							
Borrowings	15	-	-	-	8,745	-	8,745
Trade payables	16	10,987,262	-	10,987,262	16,927,698	-	16,927,698
Other financial liabilities	17	1,427,590	-	1,427,590	1,579,062	-	1,579,062
Other current Liabilities	18	2,921,255	-	2,921,255	1,829,949	-	1,829,949
Provisions	19	120,974	(37,779)	83,195	36,932	37,361	74,293
		15,457,081	**(37,779)**	**15,419,302**	**20,382,386**	**37,361**	**20,419,747**
Total Liabilities		**16,309,097**	**119,788**	**16,428,885**	**21,129,168**	**298,792**	**21,427,960**
TOTAL EQUITY AND LIABILITIES		**79,404,532**	**472,146**	**79,876,678**	**84,236,233**	**1,052,627**	**85,288,860**

2.02 Reconciliation statement of Profit & loss as previously reported under IGAAP to Ind AS

(Amount in Rupees.)

Particulars	Year ended March 31, 2017 IGAAP	Effects of transition to Ind AS	Ind As
INCOME			
Revenue from operations	21,286,745	-	21,286,745
Other operating revenue	3,892,403	-	3,892,403
Other income	124,221	580,481	704,702
TOTAL INCOME	**25,303,369**	**580,481**	**25,883,850**
EXPENSES			
Employees benefits expense	8,026,948	97,692	8,124,640
Depreciation and amortization expense	2,804,116	-	2,804,116
Finance costs	126,683	-	126,683
Other expenses	14,439,226	-	14,439,226
TOTAL EXPENSES	**25,396,973**	**97,692**	**25,494,665**
Profit/(loss) before tax	**(93,604)**	**482,789**	**389,185**
Tax expenses			
Current tax	-	-	-
Deferred tax	(105,234)	98,057	(7,177)
Income tax expense	**(105,234)**	**98,057**	**(7,177)**
Profit/(Loss) for the year	**11,630**	**384,732**	**396,362**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans	-	22,552	22,552
Income tax effect	-	(5,807)	(5,807)
Other comprehensive income for the year (net of tax)	**-**	**16,745**	**16,745**
Total comprehensive income for the year	**11,630**	**401,477**	**413,107**

2.03 Reconciliation of retained earnings as previously reported under IGAAP to IND AS

(Amount in Rupees.)

Particulars	Noteno.			
Opening Retained earnings as on March 31, 2016 (as per Previous GAAP)				**27,512,115**
Ind AS Adjustments as on April 1, 2016 (transition date):				
Re-measurement gains/(losses) on defined benefit plans	(d)		37,779	
Impact on fair valuation of investment in mutual funds	(b)		472,146	
Impact of deferred tax on the fair valuation of investments	(b)		(157,567)	352,358
Retained Earnings as on April 1, 2016 as per Ind AS				**27,864,473**
Opening Retained Earnings as on April 1, 2016 as per Ind AS				**27,864,473**
Profit / (loss) for the year ended March 31, 2017 (as per Previous GAAP)			11,630	
Ind AS adjustments for the year ended March 31, 2017				
Impact on fair valuation of investment in mutual funds	(b)	580,481		
Transfer of remeasurement differences on Defined benefit plan to OCI	(d)	(97,692)	482,789	
Profit / (Loss) before tax as per Ind AS			494,419	
Tax expenses				
Current tax		-		
Deferred tax		(98,057)		
Income tax expense			(98,057)	
Profit / (Loss) after tax as per Ind AS				396,362
Re-measurement gains/(losses) on defined benefit plans, net of tax	(d)			16,745
Retained Earnings as on March 31, 2017 as per Ind AS				**28,277,580**

2.04 Notes on First-time Adoption of Indian Accounting Standards ('Ind AS')

a) Property, plant and equipment

In accordance with paragraph D7AA of Ind AS 101 - 'First-time Adoption of Indian Accounting Standards', where there is no change in the functional currency on the date of transition to Ind AS, a first time adopter may elect to continue with the carrying value of all its property, plant and equipment as at the date of transition measured as per the previous GAAP and use that as its deemed cost at the date of transition after making necessary adjustments with respect to decommissioning liabilities if any. The company has accordingly continued to measure all the property plant and equipment's at carrying value as its deemed cost at the transition date after making adjustments for decommissioning liability, transaction cost of long term borrowings as per Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 5 (Revised), if any.

b) Investments

Under the previous GAAP, investment in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in other income for the year ended March 31, 2018. This increased the other income by INR 580,481/- as at March 31, 2017 and retained earnings by INR 472,146/- as at April 1, 2016

c) Income taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net increase in deferred tax liability of INR 157,567/-. As on March 31, 2017, the Company has recognized additional deferred tax liability of INR 103,864/-.

d) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit and loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced by INR 16,745/- (net of taxes) as on March 31, 2017 and re-measurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

e) Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

2.05 Statement of cash flow:

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

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3 Property, plant and equipment (Amount in Rupees)

Particulars	Building	Furniture & Fixture	Vehicles	Office Equipment	Computer & Peripherals	Electrical Equipment	Total
Gross block							
Deemed Cost as at April 1, 2016 [Refer note no. (a)]	**12,647,837**	**18,908**	**1,549,432**	**1,198**	**5,314,341**	**122,578**	**19,654,294**
Additions	-	-	-	-	-	35,840	**35,840**
Disposals	-	-	-	-	-	-	**-**
As at March 31, 2017	**12,647,837**	**18,908**	**1,549,432**	**1,198**	**5,314,341**	**158,418**	**19,690,134**
Additions	-	30,400	-	-	-	20,000	**50,400**
Disposals	-	-	1,549,432	-	2,210,400	-	**3,759,832**
As at March 31, 2018	**12,647,837**	**49,308**	**-**	**1,198**	**3,103,941**	**178,418**	**15,980,702**
Accumulated Depreciation							
Charge for the year	265,019	3,320	282,840	-	2,190,502	39,768	**2,781,449**
Disposals	-	-	-	-	-	-	**-**
As at March 31, 2017	**265,019**	**3,320**	**282,840**	**-**	**2,190,502**	**39,768**	**2,781,449**
Charge for the year	265,019	33,720	204,165	-	1,333,724	29,444	**1,866,072**
Disposals	-	-	487,005	-	1,244,405	-	**1,731,410**
As at March 31, 2018	**530,038**	**37,040**	**-**	**-**	**2,279,821**	**69,212**	**2,916,111**
Net block							
As at April 1, 2016	12,647,837	18,908	1,549,432	1,198	5,314,341	122,578	19,654,294
As at March 31, 2017	12,382,818	15,588	1,266,592	1,198	3,123,839	118,650	16,908,685
As at March 31, 2018	**12,117,799**	**12,268**	**-**	**1,198**	**824,120**	**109,206**	**13,064,591**

Notes :

a) The Company has elected to continue with the carrying value of Property Plant and Equipment as at the date of transition in its first Ind AS Financial Statements after making necessary adjustments as per Ind AS 101, "First Time Adoption of Indian Accounting Standards" as there is no change in the functional currency on the date of transition.

Disclosure of carrying value of Property Plant and Equipment as per previous GAAP (Indian GAAP) considered as deemed cost in Ind AS financial statements on transition date :

Particulars	Gross Block as at April 1, 2016	Accumulated Depreciation as at April 1, 2016	Accumulated Impairment loss as at April 1, 2016	Net Block Value as per Indian GAAP	Ind AS Adjustment	Deemed Cost as at April 01, 2016
Building	16,741,570	4,093,733	-	12,647,837	-	12,647,837
Furniture & Fixture	184,063	165,155	-	18,908	-	18,908
Vehicles	2,176,738	627,306	-	1,549,432	-	1,549,432
Office Equipment	70,323	69,125	-	1,198	-	1,198
Computers & Peripherals	11,041,429	5,727,088	-	5,314,341	-	5,314,341
Electrical Equipment	305,262	182,684	-	122,578	-	122,578
Total	**30,519,385**	**10,865,091**	**-**	**19,654,294**	**-**	**19,654,294**

b) Assets are owned and are used for own use, unless otherwise mentioned.

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4 Intangible assets (Amount in Rupees)

Particulars	Computer Software	Total
Gross block		
Deemed Cost as at April 1, 2016 [Refer note no. (a)]	**44,783**	**44,783**
Additions	-	-
Disposals	-	-
As at March 31, 2017	**44,783**	**44,783**
Additions	-	-
Disposals	-	-
As at March 31, 2018	**44,783**	**44,783**
Accumulated Depreciation		
Charge for the year	22,667	**22,667**
Disposals	-	-
As at March 31, 2017	**22,667**	**22,667**
Charge for the year	17,864	**17,864**
Disposals	-	-
As at March 31, 2018	**40,531**	**40,531**
Net block		
As at April 1, 2016	44,783	44,783
As at March 31, 2017	22,116	22,116
As at March 31, 2018	**4,252**	**4,252**

Notes :

a) The Company has elected to continue with the carrying value of Intangible Assets as at the date of transition in its first Ind AS Financial Statements after making necessary adjustments as per Ind AS 101, "First Time Adoption of Indian Accounting Standards" as there is no change in the functional currency on the date of transition.

Disclosure of carrying value of Intangible Assets per previous GAAP (Indian GAAP) considered as deemed cost in Ind AS financial statements on transition date :

Particulars	Computer Software
Gross Block as at April 1, 2016	1,454,223
Accumulated Depreciation as at April 1, 2016	1,409,440
Accumulated Impairment loss as at April 1, 2016	-
Net Block Value as per Indian GAAP	44,783
Ind AS Adjustment, if any	-
Deemed Cost as at April 01, 2016	44,783

5 Investments (Amount in Rupees)

Particulars	March 31,2018	March 31,2017	April 1,2016
Non-current investments			
Investment in equity instruments of Body Corporates	204,650	204,650	204,650
	204,650	**204,650**	**204,650**
Current investments (Unquoted)			
Liquid mutual fund units	13,953,249	9,652,627	8,972,146
	13,953,249	**9,652,627**	**8,972,146**
Total	**14,157,899**	**9,857,277**	**9,176,796**

Details of non-current Investments (Amount in Rupees)

Particulars	March 31,2018	March 31,2017	April 1,2016
Investments carried at fair value through profit or loss			
Investment in equity instruments of Body Corporates			
Non-trade, Unquoted			
Computek Software Limited [30,000 [March 31, 2017: 30,000; April 1, 2016: 30,000] fully paid Equity Shares of Rs.10/- each]	300,000	300,000	300,000
Bangalore Stock Exchange Limited [4,650 [March 31, 2017: 4,650; April 1, 2016: 4,650] fully paid Equity Share of Rs.1/- each]	4,650	4,650	4,650
Trade, Unquoted, carried at cost			
BgSE Financials Limited [20,000 [March 31, 2017 : 20,000; April 1, 2016: 20,000] Fully Paid Shares of Rs.10/- each]	200,000	200,000	200,000
	504,650	**504,650**	**504,650**
Less: Provision for diminution in value of investments Computek Software Limited	300,000	300,000	300,000
Total (A)	**204,650**	**204,650**	**204,650**

Details of Current Investments (Amount in Rupees)

Particulars	March 31,2018	March 31,2017	April 1, 2016
Investments carried at fair value through profit or loss			
Liquid mutual fund units			
Non-trade, Unquoted			
Mirae Asset Cash Management Fund - Direct Plan - Growth [1,097.922 Units (March 31,2017 : 1,097.922 Units; April 1, 2016 : 1,097.922 Units) of Rs.1,000 each]	2,012,903	1,884,008	1,759,916
Indiabulls Liquid Fund -Growth [1,570.060 Units (March 31, 2017: 1,570.060 Units ; April 1, 2016: 1,570.060 Units) of Rs. 1,000 each]	2,666,351	2,494,600	2,319,085
Mirae Asset Savings Fund - Direct Plant -Growth [1,172.646 Units (March 31, 2017 : 1,172.646 Units; April 1, 2016: 2,273.222 Units) of Rs. 1,000 each]	1,826,801	1,712,881	3,085,974
Reliance Liquid Fund Treasury Plan Direct Growth [403.739 Units (March 31, 2017: 403.739; April 1, 2016: Nil) of Rs. 1,000 each]	1,711,830	1,601,777	-
Reliance Money Manager Fund-DIRECT -GROWTH [860.682 Units (March 31, 2017 : 860.682 Units; April 1, 2016: 860.682 Units) of Rs. 1,000 each]	2,098,936	1,959,361	1,807,171
ICICI Prudential Liquid Plan-Direct-Growth (14,142.013 Units (March 31, 2017:Nil; April 1, 2016: Nil) of Rs. 100 each]	3,636,428	-	-
Total (B)	**13,953,249**	**9,652,627**	**8,972,146**
Total (A+B)	**14,157,899**	**9,857,277**	**9,176,796**
Break up of financial Investments			
Investments carried at			
- cost	-	-	-
- amortised cost	-	-	-
- fair value through other comprehensive income	-	-	-
- fair value through profit or loss	14,157,899	9,857,277	9,176,796
Total	**14,157,899**	**9,857,277**	**9,176,796**
Aggregate amount of quoted investments	-	-	-
Market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	204,650	204,650	204,650
Aggregate net asset value of mutual funds	13,953,249	9,652,627	8,972,146
Aggregate amount of impairment in value of investments	(300,000)	(300,000)	(300,000)

6 LOANS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non-current (Unsecured, considered good)			
Carried at amortised cost			
Deposits and margins with stock exchanges and clearing member	11,677,783	14,149,900	14,350,000
	11,677,783	**14,149,900**	**14,350,000**
Current (Unsecured, considered good)			
Sundry Deposits	-	-	40,000
	-	**-**	**40,000**
Total	**11,677,783**	**14,149,900**	**14,390,000**

7 OTHER FINANCIAL ASSETS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Non-current			
Unsecured, considered good			
Carried at amortised cost			
Fixed deposit with bank *	25,600,000	25,600,000	25,600,000
Total	**25,600,000**	**25,600,000**	**25,600,000**

* margin money deposits against bank guarantee and overdraft

8 OTHER NON-CURRENT ASSETS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Other assets			
Prepaid expenses	43,470	85,904	409,160
Total	**43,470**	**85,904**	**409,160**

9 OTHER CURRENT ASSETS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured, considered good			
Advances recoverable in cash or kind			
- *others*	50,063	7,088	12,011
Other assets			
Prepaid expenses	161,422	87,413	483,329
LIC Group Gratuity Fund (net)	386,923	112,942	207,495
Total	**598,408**	**207,443**	**702,835**

10 TRADE RECEIVABLES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured, considered good			
Trade receivables			
- due from stock exchanges (net)	21,768	7,723,282	2,969,398
- due from related parties	26,791	-	-
- due from others	1,635,074	2,626,418	1,720,811
Total	**1,683,633**	**10,349,700**	**4,690,209**

Note: No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person except for Rs. 26,791/- (March 31, 2017 : Rs. Nil, April 1, 2016 : Rs. Nil). There are no trade or other receivables due from firms or private companies in which any director is a partner, a director or a member.

11 Cash and cash equivalents

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Cash on hand	4,096	9,167	14,167
Balances with banks:			
in current accounts	16,146,395	6,190,290	3,350,927
Total	**16,151,091**	**6,199,457**	**3,365,094**

12 OTHER BANK BALANCES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks - in Current accounts, earmarked for unclaimed dividends	-	136,902	303,155
Total	**-**	**136,902**	**303,155**

13 EQUITY SHARE CAPITAL

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Authorised Capital			
10,000,000 [March 31, 2017: 10,000,000; April 1, 2016: 10,000,000] equity shares of Rs. 10/- each.	100,000,000	100,000,000	100,000,000
	100,000,000	**100,000,000**	**100,000,000**
Issued, Subscribed and Paid-Up Capital			
3,558,332 [March 31, 2017: 3,558,332; April 1, 2016: 3,558,332] Equity Shares fully paid up of Rs. 10/- each.	35,583,320	35,583,320	35,583,320
Total	**35,583,320**	**35,583,320**	**35,583,320**

a) Reconciliation of the number of equity shares outstanding and amount of share capital:

Particulars	No of shares	Amount in Rs
March 31, 2018		
Balance at the beginning of the year	3,558,332	35,583,320
Shares issued during the year	-	-
Balance at the end of the year	3,558,332	35,583,320
March 31, 2017		
Balance at the beginning of the year	3,558,332	35,583,320
Shares issued during the year	-	-
Balance at the end of the year	3,558,332	35,583,320
April 1, 2016		
Balance at the beginning of the year	3,558,332	35,583,320
Shares issued during the year	-	-
Balance at the end of the year	3,558,332	35,583,320

b) Rights, preferences and restrictions attached to shares:

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

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Restrictions on the distribution of dividends:

The Company declares and pays dividend in the event of profits. The dividend is proposed by board of directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

d) Shares held by holding /ultimate holding company and/or their subsidiaries/associates.

Out of Equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	No of shares	Amount in Rs
Equity shares at par value of Rs.10 each held by Holding Company		
March 31, 2018		
Manipal Integrated Services Private Limited (on merger with Manipal Education and Medical Group India Private Limited)	2,550,966	25,509,660
March 31, 2017		
Manipal Education and Medical Group India Private Limited	1,988,266	19,882,660
April 1, 2016		
Manipal Education and Medical Group India Private Limited	1,903,526	19,035,260

e) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

Particulars	No of shares	Amount in Rs
March 31, 2018		
Manipal Integrated Services Private Limited (on merger with Manipal Education and Medical Group India Private Limited)	2,550,966	71.69%
SHK Ebene Limited, Mauritius	-	0.0%
March 31, 2017		
Manipal Education and Medical Group India Private Limited	1,988,266	55.88%
SHK Ebene Limited, Mauritius	533,500	14.99%
April 1, 2016		
Manipal Education and Medical Group India Private Limited	1,903,526	53.49%
SHK Ebene Limited, Mauritius	533,500	14.99%

14 OTHER EQUITY

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
a) General Reserve			
Balance at the beginning of the year	10,042,529	10,042,529	10,042,529
Adjustments for the year	-	-	-
Balance at the end of the year	10,042,529	10,042,529	10,042,529
b) Securities Premium			
Balance at the beginning of the year	21,579,910	21,579,910	21,579,910
Adjustments for the year	-	-	-
Balance at the end of the year	21,579,910	21,579,910	21,579,910
c) Retained earnings [Refer Note (i) below]			
Balance at the beginning of the year	(3,361,604)	(3,757,966)	(4,110,324)
Effect of INDAS Transitional provisions [Refer Note No. 2.03]	-	-	352,358
Profit / (Loss) for the year	(197,458)	396,362	-
Balance at the end of the year	**(3,559,062)**	**(3,361,604)**	**(3,757,966)**
d) Other comprehensive income			
Balance at the beginning of the year	16,745	-	-
Transactions during the year			
Remeasurements gains/(loss) on defined benefit plans, net of tax effect	142,098	16,745	-
Balance at the end of the year	158,843	16,745	-
Total	**28,222,220**	**28,277,580**	**27,864,473**

Note: i) Capital reserve of Rs. 114,030/- has been transferred to retained earnings on April 1, 2016, the date of transition to Ind AS.

15 BORROWINGS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Short-term			
Secured			
From banks - working capital loan [Refer note (i) and (ii) below]	-	8,745	-
Total	**-**	**8,745**	**-**

Note: i) The above loan is secured by lien on fixed Deposits upto 111% of OD limit and further secured by collateral security of equitable mortgage of land and building of the Company situated in Bangalore. The above loan is repayable on demand.

ii) Interest on Working capital loan varies from 10% to 13% per annum at FDR rate plus 1% for part of the OD limit against lien mark of fixed Deposits and at Bank Base Rate plus 2.75% for the OD limit against mortgage of property.

16 TRADE PAYABLES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Micro and Small Scale Enterprises*	-	-	-
Others			
- stock exchanges	5,817,387	-	1,103,018
- others	12,228,207	16,927,698	9,884,244
Total	**18,045,594**	**16,927,698**	**10,987,262**

*- There are no Micro, Small and Medium Enterprises to which the company owes dues or with which the company had transactions during the period, based on the information available with the company.

17 OTHER FINANCIAL LIABILITIES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Salaries, Bonus and other Payables to Employees	168,916	956,195	829,720
Unclaimed dividend*	-	136,902	303,155
Other payables	376,029	485,965	294,715
Total	**544,945**	**1,579,062**	**1,427,590**

* - There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

18 OTHER CURRENT LIABILITIES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Advance from customers	514,227	1,542,687	2,571,147
Other payable - Statutory dues	525,735	287,262	350,108
Total	**1,039,962**	**1,829,949**	**2,921,255**

19 PROVISIONS

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Provision for employee benefits			
Provision for gratuity	-	-	-
Provision for leave benefits	464,963	74,293	83,195
Provision for income tax (net)	-	-	-
Total	**464,963**	**74,293**	**83,195**

20 INCOME TAX

The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

20.01 INCOME TAX EXPENSE IN THE STATEMENT OF PROFIT AND LOSS COMPRISES:

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Profit or loss section		
Current tax	-	-
Deferred tax expense (credit)	(251,619)	(7,177)
Tax expense / (credit) to Statement of Profit and Loss	**(251,619)**	**(7,177)**
Other comprehensive income section (OCI)		
Deferred tax related to items recognised in OCI during in the year:	-	-
Re-measurement gains (losses) on defined benefit plans	50,002	5,807
Tax expense / (credit) to Other Comprehensive Income	50,002	5,807
Tax expense / (credit) to Other Comprehensive Income	**(201,617)**	**(1,370)**

20.02 RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE FOR MARCH 31, 2018 AND MARCH 31, 2017:

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Profit / (loss) before tax	(449,077)	389,185
Applicable tax rate	25.75%	29.87%
Tax effect of income / (loss)	(115,637)	116,250
Adjustments:		
Tax effect on re-measurement gains (losses)	(49,466)	(6,736)
Tax effect on non-taxable income (net)	(4,857)	(2,481)
Tax effect on non-deductible expenses (net)	43,735	127,431
Tax effect on set off of carry forward losses	(115,606)	(409,905)
Effect on tax rate changes	(9,788)	168,264
Tax expense / (credit) to Statement of Profit and Loss	**(251,619)**	**(7,177)**
Tax expense / (credit) to Other Comprehensive Income	50,002	5,807
Tax expense / (credit) to Other Comprehensive Income	**(201,617)**	**(1,370)**

20.03 NON-CURRENT TAX ASSETS (NET)

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Opening Balance	1,771,476	1,540,352	1,540,352
Less: Current tax payable (including interest)	-	-	-
Less: Refund received during the year	(232,570)	-	-
Add: Current taxes paid	187,567	231,124	-
Closing balance of Non-current tax assets (net)	**1,726,473**	**1,771,476**	**1,540,352**

20.04 A RECONCILIATION OF THE INCOME TAX PROVISION TO THE AMOUNT COMPUTED BY APPLYING THE STATUTORY INCOME TAX RATE TO THE INCOME BEFORE INCOME TAXES IS SUMMARIZED BELOW:

(Amount in Rupees)

Particulars	For the year 2017-18	For the year 2016-17	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets					
Provision for employee benefits	87,868	34,356	122,224	34,356	-
Deductible expenses	23,400	-	23,400	-	-
Unused depreciation	(171,980)	(906,806)	2,101,683	2,273,663	3,180,469
(a)	**(60,712)**	**(872,450)**	**2,247,307**	**2,308,019**	**3,180,469**
Deferred tax liabilities					
Accelerated depreciation for tax purpose	(544,640)	(963,945)	2,471,458	3,016,098	3,980,043
Fair value of Investments	210,794	125,158	481,845	271,051	145,893
Group gratuity fund (net of provision)	71,517	(35,033)	100,600	29,083	64,116
(b)	**(262,329)**	**(873,820)**	**3,053,903**	**3,316,232**	**4,190,052**
Deferred tax liability (net) [a-b]	**(201,617)**	**(1,370)**	**806,596**	**1,008,213**	**1,009,583**

Note: The Company has not recognised deferred tax assets amounting to Rs. 1,820,904/- (March 31, 2017: Rs. 1,803,395/-, April 1, 2016 : Rs. 2,062,767/-) in respect of unused business loss in view of prudence.

20.05 THE UNUSED BUSINESS LOSS IS ALLOWABLE IN FUTURE PERIOD AGAINST TAXABLE PROFIT AS FOLLOWS: (Amount in Rupees)

Unused losses available	March 31, 2018	March 31, 2017	April 1, 2016
Upto financial year 2019-20 (AY 2020-21)	1,525,315	1,540,124	1,283,437
Upto financial year 2020-21 (AY 2021-22)	5,478,162	5,463,352	5,392,184
Total	**7,003,477**	**7,003,476**	**6,675,621**

20.06 RECONCILIATIONS OF DEFERRED TAX LIABILITIES /(ASSETS) (Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Opening balance	1,008,213	1,009,583
Tax income/(expense) during the period recognised in profit or loss	(260,871)	160,158
Effect of tax rate changes recognised in profit or loss	9,252	(167,335)
Tax income/(expense) during the period recognised in OCI	49,466	6,736
Effect of tax rate changes recognised in OCI	536	(929)
Amount recognised directly in retained earning	-	-
Closing balance	**806,596**	**1,008,213**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

21 REVENUE FROM OPERATIONS (Amount in Rupees)

Particular	March 31, 2018	March 31, 2017
Brokerage income from		
- Stock broking	11,868,513	11,719,188
- Mutual fund and others	696,337	595,740
Service charges received	1,028,460	8,971,817
Total	**13,593,310**	**21,286,745**

22 OTHER OPERATING REVENUE (Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Profit on trading in securities	1,117,909	1,588,896
Interest received from fixed deposit	1,875,896	2,294,764
Dividend from long term investments	19,856	8,743
Total	**3,013,661**	**3,892,403**

23 OTHER INCOME (Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Interest on Income Tax refund	18,600	-
Profit on sale of Investments	67,841	113,455
Net gain /(loss) on fair valuation of Investments	800,621	580,481
Miscellaneous Income	532	10,766
Total	**887,594**	**704,702**

24 EMPLOYEE BENEFITS EXPENSE (Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Salaries and allowances	7,173,579	6,999,488
Contribution to provident and other funds	426,347	451,071
Gratuity	109,059	117,105
Leave encashment	539,258	297,900
Stipend and training expenses	8,000	-
Staff welfare expenses	313,684	259,076
Total	**8,569,927**	**8,124,640**

25 DEPRECIATION AND AMORTISATION EXPENSE

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Depreciation on property, plant and equipment	1,866,072	2,781,449
Depreciation on intangible assets	17,864	22,667
Total	**1,883,936**	**2,804,116**

26 FINANCE COSTS

(Amount in Rupees)

Particulars	March 31,2018	March 31,2017
Interest on overdraft facility from bank	104,758	126,652
Other Interest	109	31
Total	**104,867**	**126,683**

27 OTHER EXPENSES

(Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017
Stock exchange charges	28,370	1,768,911
Transaction charges (net)	190,723	567,209
Demat charges	330,018	309,018
Rent	304,044	1,104,000
Rates and taxes	166,633	262,653
Professional and consultancy charges	2,831,148	3,607,142
Software maintenance charges	572,138	3,370,271
Travelling and conveyance	380,994	260,972
Printing and stationery	172,864	232,306
Communication expenses	358,464	777,458
Insurance	148,336	122,514
Electricity and water charges	310,815	314,308
Auditors' Remuneration:		
Audit fees	250,000	173,000
Tax audit fees	50,000	27,000
Office maintenance	429,482	534,494
Repairs and maintenance - others	160,260	510,748
Business promotion	28,184	38,282
Loss on fluctuation of foreign currency (net)	-	12,241
Loss on sale of assets	297,418	-
Sundry balances written off	-	7,842
Bank guarantee commission and other bank charges	373,189	437,968
Miscellaneous expenses	1,832	889
Total	**7,384,912**	**14,439,226**

28 FINANCIAL INSTRUMENTS

28.01 FINANCIAL INSTRUMENTS BY CATEGORY

Financial instruments comprise financial assets and financial liabilities.

The carrying value and fair value of financial instruments by categories were as follows (Amount in Rupees)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Financial assets carried at cost	-	-	-
Financial assets carried at amortised cost			
Trade Receivables	1,683,633	10,349,700	4,690,209
Cash and Cash equivalents	16,151,091	6,199,457	3,365,094
Bank balances other than above	-	136,902	303,155
Loans	11,677,783	14,149,900	14,390,000
Other financial assets	25,600,000	25,600,000	25,600,000
Financial assets carried at fair value through profit or loss			
Investments in mutual funds	13,953,249	9,652,627	8,972,146
Investment in equity instruments of Body Corporates	204,650	204,650	204,650
Total	**69,270,406**	**66,293,236**	**57,525,254**
Financial liabilities carried at amortised cost			
Borrowings	-	8,745	-
Trade payables	18,045,594	16,927,698	10,987,262
Other financial liabilities	544,945	1,579,062	1,427,590
Total	**18,590,539**	**18,515,505**	**12,414,852**

28.02 FAIR VALUE HIERARCHY

The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

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

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis; (Amount in Rupees)

Particulars	**Level**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Assets measured at fair value through profit or loss:				
Investments in mutual funds	Level 1	13,953,249	9,652,627	8,972,146
Investment in equity instruments of Body Corporates	Level 2	204,650	204,650	204,650

During the year ended March 31, 2018 and March 31, 2017 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The fair value of liquid mutual funds is based on net asset value quoted price. Fair value is determined using Level 3 inputs at Discounted cash flows.

The Board of Directors considers the fair value of all other financial assets and liabilities to approximate their carrying value at the balance sheet date.

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29 FINANCIAL RISK MANAGEMENT

Financial Risk Factors

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

29.01 Market risk

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

Price risk : The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Debt based securities are exposed to price risk which are inherently linked to interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss."

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions.

Foreign currency risk : Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not subject to foreign currency risk as the Company does not hold foreign currency exposure as on balance sheet date.

Interest rate risk : Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment in mutual fund with floating interest rates. The Company is not subject to any other interest rate risk as the Company does not hold borrowings as on balance sheet date.

29.02 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

No credit limits were exceeded during the reporting period other than those under litigation, and management does not expect any losses from non-performance by these counterparties.

The maximum exposure of financial assets subject to credit risk was equal to the respective carrying amounts on the balance sheet date. None of the financial assets subject to credit risk were either past due or impaired.

Aging analysis of the trade receivables has been considered from the date it is due (Amount in Rupees)

Particulars	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Upto 3 months	1,683,633	10,349,700	4,690,209
3 to 6 months	-	-	-
More than 6 months	-	-	-
Total	**1,683,633**	**10,349,700**	**4,690,209**

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units for a specified time period.

The carrying values of the financial assets approximate its fair values. The above financial assets are not impaired as at the reporting date. Other financial assets are neither past due nor impaired at reporting date. The cash and cash equivalents are maintained with reputed banks. Hence the Group believes no impairment is necessary in respect of the above financial instruments.

29.03 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity reserve (comprises undrawn borrowing facility, cash and cashequivalents) on the basis of expected cash flow. This is generally carried out at by the Company in accordance with practice and limits set by the Company.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of non-derivative financial liabilities, including the estimated interest payment.

Non-derivative financial liabilities (Amount in Rupees)

Particulars	Gross Amount	Repayable on demand	Due within 1 year	Due between 1 - 5 years	Due after 5 years
As at March 31, 2018					
Borrowings	-	-	-	-	-
Trade payables	18,045,594	16,214,907	1,830,687	-	-
Other financial liabilities	544,945	-	544,945	-	-
Total	**18,590,539**	**16,214,907**	**2,375,632**	**-**	**-**
As at March 31, 2017					
Borrowings	8,745	8,745	-	-	-
Trade payables	16,927,698	15,671,991	1,255,707	-	-
Other financial liabilities	1,579,062	-	1,579,062	-	-
Total	**18,515,505**	**15,680,736**	**2,834,769**	**-**	**-**
As at April 1, 2016					
Borrowings	-	-	-	-	-
Trade payables	10,987,262	10,582,915	404,347	-	-
Other financial liabilities	1,427,590	-	1,427,590	-	-
Total	**12,414,852**	**10,582,915**	**1,831,937**	**-**	**-**

29.04 Capital management

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Group to which the company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the Group. The results of the Directors' review of the company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The requirement of monitoring capital gearing ratio does not arise in the absence of long term borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

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30 CALCULATION OF EARNING PER SHARE (Amount in Rupees)

Sl.	Particulars	March 31, 2018	March 31, 2017
a.	Nominal value of Equity shares (in Rupees per share)	10	10
b.	Weighted average number of Equity shares at the year end (in Nos.)	3,558,332	3,558,332
c.	Profit/(loss) attributable to equity holders of the Company for basic earnings (Amount in Rupees)	(197,458)	396,362
d.	Basic/Diluted Earning per share of Rs 10/- each (in Rs.) [(c)/(b)]	(0.06)	0.11

31 Contingent liabilities as at March 31, 2018 is Rs. Nil (March 31, 2017: Rs. Nil, April 1, 2016: Rs. Nil)

32 The Management of the Company is of the opinion that no provision is required to be made in its books of account other than those already provided if any, with respect to any material foreseeable losses under the applicable laws, accounting standards or long term contracts including derivative contracts, if any.

33 Employee Benefits:

a) Defined Contribution Plans : The Company's contribution to Provident and Pension Fund and Superannuation Fund charged to Statement of Profit and Loss are as follows :

Particulars	March 31, 2018	March 31, 2017
Provident and pension fund	335,893	361,616

b) Gratuity: The following tables set out the funded status of the gratuity plans and the amounts recognised in the Company's financial statements as at March 31, 2018 and March 31, 2017:

Particulars	March31,2018	March31,2017
i) Change in defined benefit obligation		
Defined benefit at the beginning	1,846,760	1,780,400
Current Service Cost	124,794	131,339
Interest expenses	131,313	116,146
Re-measurement - Actuarial loss / (gain)	(187,683)	(6,495)
Benefits paid	(215,039)	(174,630)
Defined benefit at the end	**1,700,145**	**1,846,760**
Current obligation	*99,220*	*94,858*
Non-current obligation	*1,600,925*	*1,751,902*
ii) Change in fair value of plan assets:		
Fair value of Plan Assets at the beginning	1,959,702	1,987,895
Expected return on plan assets	147,048	130,380
Actuarial gains/ (losses)	4,417	16,057
Contributions by employer	190,940	-
Benefits paid	(215,039)	(174,630)
Fair value of plan assets at the end	**2,087,068**	**1,959,702**
iii) Amount Recognized in the Balance Sheet		
Present Value of Obligation as at year end	1,700,145	1,846,760
Fair Value of plan assets at year end	2,087,068	1,959,702
Net (asset) / liability recognised	**(386,923)**	**(112,942)**
iv) Amount recognized in the Statement of Profit and Loss under employee benefit expenses		
Current Service Cost	124,794	131,339
Net interest on net defined benefit liability / (asset)	(15,735)	(14,234)
Total expense	**109,059**	**117,105**
v) Recognised in other comprehensive income for the year		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumption	(73,810)	68,338
Actuarial changes arising from changes in experience adjustments	(113,873)	(74,833)
Return on plan assets excluding interest income	(4,417)	(16,057)
Recognised in other comprehensive income	**(192,100)**	**(22,552)**
vi) Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / decrease on present value of defined benefit obligation as at year end		
(i) one percentage point increase in discount rate	(97,374)	(111,304)
(ii) one percentage point decrease in discount rate	108,924	125,427
(iii) one percentage point increase in salary escalation rate	107,141	122,567
(iv) one percentage point decrease in salary escalation rate	(97,333)	(330,307)
(v) one percentage point increase in employee turnover rate	4,881	1,351
(vi) one percentage point decrease in employee turnover rate	(5,250)	(1,386)
(vii) ten percentage increase in mortality rate	439	296

Sensitivity Analysis Method

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by percentage, keeping all the other actuarial assumptions constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

Particulars	March31,2018	March31,2017
vii) The major category of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investment with Insurer managed funds	100%	100%
viii) Actuarial Assumptions		
Discount rate (p.a.)	7.55%	6.86%
Salary escalation	6.0%	6.0%
Weighted average duration of defined benefit obligation	10 Years	10 Years
Rate of employee turnover	5.00%	5.00%
Retirement age	60years	60years
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) ultimate	

Notes:

i) The Company's liability towards gratuity to employees is covered by a group policy with LIC of India and contributions are charged to statement of profit and loss.

ii) Based on the above allocation and the prevailing yields on these assets, the long term estimate of the expected rate of return on fund assets has been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

c **Leave Encashment :** Liability towards Leave Encashment based on Actuarial valuation amounts to Rs. 464,963/- as at March 31, 2018 [March 31, 2017: Rs. 74,293/-; April 1, 2016: Rs. 83,195/-.

34 OPERATING LEASE :

The Company has entered into certain cancellable operating lease agreements mainly for office premises. The details of lease rentals debited to statement of profit and loss are as follows :

Particulars	March 31, 2018	March 31, 2017
Lease rentals under cancellable lease	304,044	1,104,000

35 LIST OF RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR:

Name of the Party (as identified by the Management)

Holding Company	:	Manipal Integrated Services Private Limited (on merger with Manipal Education and Medical Group India Private Limited)
Key Management Personnel (KMP)	:	D Sreepathi - Whole-time Director
		G S Shridhar - Whole-time Director

Details of the transactions *: (Amount in Rupees)

Sl.	Particulars	March 31, 2018	March 31, 2017	April 1, 2016
a.	*Equity Shares held by*			
	Manipal Integrated Services Private Limited (on merger with Manipal Education and Medical Group India Private Limited)	25,509,660	19,882,660	19,035,260
	Sri. D Sreepathi	2,000	2,000	2,000
	Sri. G S Shridhar	3,010	3,010	3,010
b.	*Brokerage and other charges received from KMP*			
	D Sreepathi	20,007	34,287	**
	G S Shridhar	114	-	**
c.	*Remuneration to KMP*			
	D Sreepathi	1,824,311	1,332,200	**
	G S Shridhar	1,708,349	1,293,450	**
d.	*Balances due to KMP*			
	D Sreepathi	184,878	99,986	195,995
e.	*Balances due from KMP*			
	G S Shridhar	23,129	-	-

* - Transactions in the nature of reimbursement of expenses incurred by Company on behalf of the other have not been considered above.

** - The related party disclosures for opening balances as at April 01, 2016 given above are only with regard to Balance Sheet items and does not include transactions taken place during the Financial Year 2015-16.

36 Unhedged foreign currency exposure as on balance sheet date is Rs. Nil (March 31, 2017 : Rs. Nil, April 01, 2016 : Rs. Nil).

37 The Company's principal business of Stock Broking is governed by the same set of risk and returns and have been grouped as a single business segment. Accordingly separate primary and secondary segment reporting disclosures as envisaged in Indian Accounting Standard (Ind AS) - 108 on Operating Segments are not applicable to the present activities of the company. Revenues attributed to countries on the basis of the customer's location is given below.

(Amount in Rupees)

Particulars	Country	March 31, 2018	March 31, 2017
Revenue	Mauritius	1,028,460	8,971,817
Other non-current assets	Mauritius	-	-

The Company's only segment being stock broking has one customer who has contributed 10% or more of the revenue during the year amounting to Rs.1,496,627/- (March 31, 2017: Rs. 8,971,817/-).

38 Figures of the previous year wherever necessary, have been regrouped and rearranged to conform with those of the current year.

The accompanying notes form an integral part of the IND AS financial statements.

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No.: 101720W

For and on behalf of the Board of Directors of
MEMG Securities Limited

Lalit R Mhalsekar
Partner
Membership No.: 103418

Place: Mumbai
Date: 20.08.2018

D Sreepathi
Whole-Time-Director
DIN: 00958235

Place : Bengaluru
Date: 20.08.2018

G S Shridhar
Whole-Time-Director
DIN: 00106780

Place : Bengaluru
Date: 20.08.2018

MEMG SECURITIES LIMITED

CIN-U65110KA1995PLC017907
Registered Office: N115, Manipal Centre, Dickenson Road, Bangalore – 560042

ATTENDANCE SLIP

Folio No./ DP Id/Client Id	
Name and Address of the Shareholder	
Joint-holder(s) (if any)	
No of Shares held	

(1) I hereby record my presence at TWENTY THIRD ANNUAL GENERAL MEETING of MEMG Securities Limited being held on Thursday 26th September 2018 at 04:00 p.m. at N115, Manipal Centre, Dickenson Road, Bangalore – 560042.

(2) Signature of the Shareholder/Proxy Present

(3) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

(4) Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

- -

MEMG SECURITIES LIMITED

CIN-U65110KA1995PLC017907

Registered Office: N115, Manipal Centre, Dickenson Road, Bangalore – 560042

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/DP Id/Client Id	

I/We, being the member(s) of ______________________________ shares of the above named company, hereby appoint:

1. Name: _______________________ Address:_______________________________________

   E-mail Id:____________________ Signature:_______________, or failing him

2. Name: _______________________ Address: _______________________________________

   E-mail Id:____________________ Signature:_______________, or failing him

3. Name: _______________________ Address: _______________________________________

   E-mail Id:____________________ Signature:_______________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Wednesday, the 26th Day of September 2018 at 04:00 p.m. at the Registered Office of the Company at N115, Manipal Centre, Dickenson Road, Bangalore – 560042 and at any adjournment thereof in respect of the following resolutions:

- -

Sl. No.	Resolution.
Ordinary Business	
1	Adoption of Audited Financial Statements, Directors' and Auditors' Report for the year ended 31st March 2018.
2	Appointment of Director in place of Mr. Ranjan Ramdas Pai (DIN-00863123) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3	To appointment of M/s Pathak H. D & Associates, Chartered Accountants (Firm Registration No. 107783W) as Auditors and fix their remuneration.
Special Business	
4	To approve re-appointment of Mr. Shridhar Srikantiah Gargeshwari (DIN 00106780) as a Whole-Time Director of the Company.
5	To approve re-appointment of Mr. Donakal Sreepathi (DIN 00958235) as a Whole-Time Director of the Company.
6	To adopt new Articles Of Association of the Company in replacement of the existing Articles.
7	To approve private placement scheme for issue and allotment of equity shares and approval for issue of equity shares to M/S. Manipal Integrated Services Private Limited.
8	To approve consolidation of face value of equity shares of the Company.
9	To approve alteration of authorised share capital of the Company and Memorandum Of Association of the Company.

Signed this __________________ day of ________2018

Signature of Shareholder: ___________________

Signature of Proxy Holder (s): ____________________

Signature with Revenue Stamp of Rs. 1/-

NOTE:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company at N115, Manipal Centre, Dickenson Road, Bangalore – 560042, not less than FORTY EIGHT (48) hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twenty Third Annual General Meeting.

NOTES :

BOOK POST

If undelivered, please return to :

MEMG SECURITIES LIMITED
N115, Manipal Centre, Dickenson Road,
Bangalore – 560042
www.memgsecurities.com