

BAJAJ FINANCIAL SECURITIES LIMITED

DIRECTORS' REPORT

The Directors present their eighth annual report and the audited financial statements for the year ended 31 March 2018.

Particulars	FY2018	FY2017
Total income	88,872,745	5,749,757
Finance cost	348,228	-
Net interest income	-	-
Operating expenses	531,587	354,179
Pre-provision operating profit	87,992,930	5,395,578
Loan losses and provisions	-	-
Profit before taxation	87,992,930	5,395,578
Tax expense	17,395,691	570,000
Profit for the year after taxation	70,597,239	4,825,578
Balance brought forward from previous year	14,151,523	18,977,101
Profit available for appropriations	56,445,716	14,151,523
Appropriations:		
Transfer to Reserve Fund	-	-
Balance carried to Balance Sheet	56,445,716	14,151,523

Operations

During FY2018 the Company did not have any business operations

Subsidiary

The Company does not have any subsidiary.

Dividend

Directors do not recommend any dividend for consideration for members at the ensuing annual general meeting.

Extract of annual return

The extract of annual return as provided under section 92(3) the Companies Act, 2013, in the prescribed Form MGT-9 is annexed to this Report as Annexure-1.

Number of meetings of the Board

The Board of Directors met five times during the year on 12 May 2017, 11 July 2017, 13 October 2017, 12 January 2018 and 23 March 2018.

Directors' responsibility statement

In compliance of Section 134(5) of the Companies Act, 2013, the Directors state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by independent directors

The independent directors have submitted declaration of independence, as required under section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

Policy on directors' appointment and remuneration

The Company has a Board approved remuneration policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of Directors. A copy of the remuneration policy has been annexed to this report as Annexure 2.

Particulars of Loans, Guarantees or Investments

Information regarding Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 is detailed in the Financial Statements.

Related Party Transactions

During the year under review there were no transactions with any related party.



Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this Report.

Conservation of energy and technology absorption

The Company does not have any manufacturing activity. The Directors, therefore, have nothing to report on 'conservation of energy and technology absorption', pursuant to provisions of Rule 8(3) of the Companies (Accounts) Rules, 2014.

Foreign exchange earnings and outgo

During FY2018, the Company did not have any foreign exchange earnings and outgo.

Risk Management

The Company has a Board approved risk management policy which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company.

Corporate Social Responsibility

As the Company is not covered under Section 135 of the Companies Act, 2013 relating to corporate social responsibility, the directors have nothing to report on the same.

Independent Directors' Meeting

Details on the evaluation carried out by the independent directors at their meeting held on 23 March 2018 have been furnished below.

- reviewed the performance of non-independent director and the Board as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of non-executive directors; and
- assessed the quantity, quality and timely flow of information between Management and the Board to be of the high quality.

All independent directors were present at the meeting and elected J Sridhar as Chairman for the meeting. The Independent directors found the assessment of all the points stated above satisfactory.

Directors and Key Managerial Personnel

According to the provisions of the Companies Act, 2013, S Sreenivasan, Director (DIN 03206811) retires from the Board by rotation this year and being eligible, has offered his candidature for re-appointment at this annual general meeting for the approval of the members.

Brief details of S Sreenivasan (DIN 03206811), director who is seeking re-appointment have been given in the notice of annual general meeting.



There was no change in the Directors and Key Managerial Personnel during FY2018.

Significant and material orders

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

Audit Committee

The Audit Committee consisting of J Sridhar as Chairman of the Committee, S Sreenivasan and Sanjay Bhargava, as members met three times during the year on 12 May 2017, 11 July 2017, 13 October 2017. In terms of the amendment in Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, which exempted, *inter alia*, a wholly owned subsidiary from the requirement of the constitution of Audit Committee.

The Board at its meeting held on 13 October 2017 has disbanded Audit Committee.

Presentation of financial results

The financial results of the Company for the year ended 31 March 2018 have been disclosed as per Schedule III to the Companies Act, 2013.

Statutory disclosures

- There are no details which are required to be disclosed under the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- During the year under review, the Company has not accepted any deposits.
- During the year under review, there was no fraud reported by the auditors to the Audit Committee, pursuant to the provisions of the Companies Act, 2013.
- The directors' responsibility statement as required by section 134(5) of the Companies Act, 2013 is given in a preceding paragraph.
- Cash Flow Statement for FY2018 is attached to the Balance Sheet.

Secretarial Standards of ICSI

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has, on 14 June 2017, revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective from 1 October 2017. The Company is compliant with the same.



Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013, S R B C & CO LLP, Chartered Accountants, were appointed as statutory auditors of the Company at the 7th annual general meeting (AGM) of the Company for a period from the conclusion of the said AGM till the conclusion of the 12th AGM subject to ratification of their appointment by the members at every AGM held thereafter.

The Ministry of Corporate Affairs, vide its notification dated 7 May 2018, has brought into effect certain provisions of the Companies (Amendment) Act, 2017, thereby amending provisions of Companies Act, 2013 including section 139 of the Companies Act, 2013, whereby the requirement of ratification of appointment of statutory auditors at every annual general meeting has been done away with.

However, pursuant to the provisions of Companies Act, 2013, a resolution to delegate the authority to the Board of Directors to fix the remuneration of statutory auditors of the Company for the years 2018-19 onwards is proposed in the notice of the ensuing AGM for the approval of the members.

The Audit Report submitted by S R B C & CO LLP, for FY2018 does not contain any qualification, reservation or adverse remark or disclaimer.

On behalf of the Board of Directors



**S Sreenivasan
Chairman**

**Place: Pune
Pune: 14 May 2018**



Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on 31 March 2018

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

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	Details
1	CIN	U67120PN2010PLC136026
2	Registration date	07/04/2010
3	Name of the Company	Bajaj Financial Securities Limited
4	Category/ Sub-category of the Company	Public Company, Limited by shares
5	Address of the registered office and contact details	Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune- 411035 Tel: 020 3018 6403
6	Whether listed company	No
7	Name, Address and Contact details of the Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
NIL	NIL	NIL	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Bajaj Housing Finance Limited Address: Bajaj Auto Ltd. Complex, Mumbai - Pune Road, Akurdi - 411 035	L65923PN2007PLC130075	Holding	100	Section 2(46)

a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	14,000,000	14,000,000	100	0	14,000,000	14,000,000	100	0

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1 April 2017)			Shareholding at the end of the year (31 March 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Bajaj Housing Finance Limited	*14,000,000	100	0	14,000,000	100	0	0
	Total	14,000,000	100	0	14,000,000	100	0	0

Note: *Out of the total number of shares held, 600 shares are held jointly (100 shares jointly with six individuals each)

iii) Change in Promoters' Shareholding (please specify, if there is no change)- No change

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): There are no shareholders of the Company apart from Promoters.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year (1 April 2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
(i)	Shri J Sridhar (Director) jointly with Bajaj Housing Finance Limited				
	At the beginning of the year	100	0.00	100	0.00
	At the end of the year	100	0.00		

V. INDEBTEDNESS: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. REMUNERATION TO OTHER DIRECTORS: **NIL**

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

BAJAJ FINANCIAL SECURITIES LIMITED

REMUNERATION POLICY

(I) Criteria for Determining Qualifications, Positive Attributes & Independence of Director

1. Qualifications of Independent Director:-

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, operations or other disciplines related to the company's business.

2. Positive attributes of Independent Directors:-

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of Independent Directors:-

An Independent director should meet the requirements of the Companies Act, 2013 concerning independence of directors.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees

A. NON-EXECUTIVE DIRECTORS (NEDs)

NEDs may be paid a sitting fee for every meeting of the board or committee thereof attended by them as member, and/or commission at such rate as may be decided by the board.

Additional commission, apart from commission referred to above, may be paid to non-executive directors as may be decided by the board of directors of the company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the non-executive directors.

The company has no stock options plans for directors and no payment by way of bonus, pension, incentives etc. shall be paid.

B. MANAGER & KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

The Remuneration to Manager, if any shall take into account the Company's overall performance, Manager's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Remuneration to Directors, Key Managerial Personnel, Senior Management and other employees will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Since the Key Managerial Personnel of the company are also the Key Managerial Personnel of Bajaj Finance Limited, which is holding company of Bajaj Housing Finance Limited, holding company of the company and they are in receipt of the remuneration from Bajaj Finance Limited, the holding company, no remuneration is being paid by the company at present.

The above criteria and policy are subject to review by the Nomination and Remuneration committee and the Board of Directors of the Company.

FOR BAJAJ FINANCIAL SECURITIES LIMITED

**Pune
14 January 2015**

CHAIRMAN

INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Financial Securities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Bajaj Financial Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its profit and its cash flows for the year ended on that date.

Other Matter

The financial statements of the Company for the year ended March 31, 2017, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 12, 2017.

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 1, a statement on the matters specified in paragraphs 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 purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms 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 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per **Arvind Sethi**
Partner
Membership No: 089802

Pune
May 14, 2018

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**Re: Bajaj Financial Securities Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

S R B C & CO LLP

Chartered Accountants

Bajaj Financial Securities Limited
Independent Auditor's Report for the year ended March 31, 2018

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- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, as more fully described in note 20 to the financial statements, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per **Arvind Sethi**
Partner
Membership No: 089802

Pune
May 14, 2018

Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per **Arvind Sethi**
Partner
Membership No: 089802

Pune
May 14, 2018

BAJAJ FINANCIAL SECURITIES LIMITED
BALANCE SHEET AS AT 31 MARCH 2018

Amount in ₹

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	140,000,000	140,000,000
Reserves and surplus	4	56,445,716	(14,151,523)
		196,445,716	125,848,477
Non-current liabilities			
Long-term provisions	5	-	-
Current liabilities			
Trade payables			
Total outstanding dues of Micro, Small and Medium Enterprises	6	-	-
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		336,720	454,578
Other current liabilities	6	368,128	18,665
Short term provisions	5	17,388,500	-
		18,093,348	473,243
Total		214,539,064	126,321,720
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	7	-	-
Intangible assets	7	-	-
Non-current investments	8	-	-
Long-term loans and advances	9	62,999	62,999
Other non-current assets	10	-	-
		62,999	62,999
Current assets			
Current investments	8	214,097,533	125,432,274
Cash and bank balances	11	376,532	554,634
Short-term loans and advances	9	-	-
Other current assets	10	2,000	271,813
		214,476,065	126,258,721
Total		214,539,064	126,321,720

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

On behalf of the Board of Directors

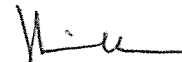
For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

per Arvind Sethi
Partner
Membership No. 089802

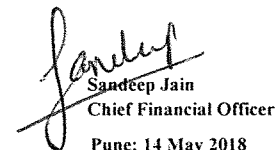
Pune : 14 May 2018



S Sreenivasan
Chairman



J Sridhar
Director



Sandeep Jain
Chief Financial Officer

Pune: 14 May 2018



Anant Damle
Company Secretary

BAJAJ FINANCIAL SECURITIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

Particulars	Note No.	Amount in ₹	
		Year Ended 31 March 2018	Year Ended 31 March 2017
Revenue			
Revenue from operations		-	-
Other income	12	88,872,745	5,749,757
Total revenue		88,872,745	5,749,757
Expenses			
Finance costs	13	348,228	-
Depreciation and amortization expense	7	-	-
Other expenses	14	531,587	354,179
Total expenses		879,815	354,179
Profit before tax		87,992,930	5,395,578
Tax expenses			
Current tax (MAT)		17,395,691	570,000
Deferred tax		-	-
Total tax expense		17,395,691	570,000
Profit after tax for the year		70,597,239	4,825,578
Basic and diluted Earnings per share (in ₹) (Nominal value per share ₹ 10)	15	5.04	0.34

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements


In terms of our report of even date

On behalf of the Board of Directors


For S R B C & CO LLP

Firm Registration No. 324982E/E300003

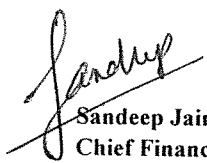
Chartered Accountants

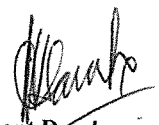

per Arvind Sethi
Partner

Membership No. 089802


S Sreenivasan
Chairman


J Sridhar
Director


Sandeep Jain
Chief Financial Officer


Anant Damle
Company Secretary

Pune: 14 May 2018

BAJAJ FINANCIAL SECURITIES LIMITED
CASH FLOW STATEMENT

Amount in ₹

Particulars	FOR THE YEAR ENDED	
	31-Mar-18	31-Mar-17
A. Cash Flow from Operating Activities:		
Profit before taxation	87,992,930	5,395,578
Adjustments for:		
Sundry credit balances appropriated	(857)	-
Finance Cost	348,228	-
Provision no longer required	(81,525)	(26,407)
Profit on sale of mutual fund	(88,738,462)	(5,239,118)
Interest on Fixed deposits	(51,901)	(479,988)
	(88,524,517)	(5,745,513)
Cash from operations	(531,587)	(349,935)
Changes in working capital:		
Increase / (decrease) in trade payables	(35,476)	227,546
Increase / (decrease) in short term provisions	-	-
Increase / (decrease) in long term provisions	-	-
Increase / (decrease) in other current liabilities	1,235	7,442
Increase / (decrease) in other long term liabilities	-	-
(Increase) / decrease in long term loans and advances	-	-
(Increase) / decrease in short term loans and advances	-	13,652
(Increase) / decrease in other current assets	(2,000)	-
(Increase) / decrease in other non current assets	-	-
	(36,241)	248,640
Taxes paid (net of refunds)	(7,191)	(101,295)
Finance costs paid	-	(543,825)
	(7,191)	(543,825)
	(575,019)	(645,120)
Net cash generated from operations	(575,019)	(645,120)
B. Cash Flow from Investing Activities:		
Purchase of Mutual Fund - current investment	(216,494,672)	(32,000,000)
Sale of Mutual Fund -current investment	215,487,875	26,735,728
Interest on Fixed deposits	323,714	630,217
Fixed Deposits matured during the year	1,080,000	4,575,000
Net cash from investing activities	396,917	(59,055)
C. Cash Flow from Financing Activities:		
Net cash from financing activities	-	-
Net increase in cash and cash equivalents	(178,102)	(704,175)
Cash and cash equivalents at the beginning of the year	554,634	1,258,809
Cash and cash equivalents at the end of the year	376,532	554,634

Components of cash and cash equivalents

Particulars	As at	
	March 31, 2018	March 31, 2017
Cash and cash equivalents comprises of :		
Balances with scheduled banks in:		
Current accounts	376,532.00	554,634.00
Total cash and cash equivalents at the end of the year	376,532.00	554,634.00

Notes :

1 The above cash flow statement have been prepared under the indirect method set out in Accounting Standard (AS) -3, 'Cash Flow Statement' notified pursuant to the Companies (Accounts) Rules, 2014

2 All figures in brackets indicate outflow.

As per our attached report of even date

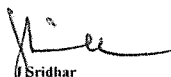
For S R B C & CO LLP
Firm Registration No. 334982E/E300003
Chartered Accountants

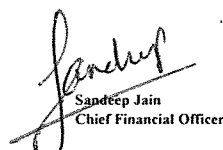
per Arvind Sethi
Partner
Membership No. 089802

Pune : 14 May 2018

On behalf of the Board of Directors


S Sreenivasan
Chairman


Sridhar
Director


Sandeep Jain
Chief Financial Officer


Anant Dapate
Company Secretary

Pune : 14 May 2018

1 Corporate information

Bajaj Financial Securities Limited was incorporated, as a wholly owned subsidiary of Bajaj Housing Finance Limited, on 7th April 2010 with the main object to undertake a business of stock/share broking business and to act as Depository Participant, within the provisions of Securities and Exchange Board of India Act, 1992 & relevant rules & regulations.

2 Statement of significant accounting policies

Basis of preparation

The financial statements have been prepared in conformity with generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under Section 133 of the Companies Act 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The complete financial statements have been prepared along with all disclosures.

All assets and liabilities have been classified as current and non-current as per the criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of its assets and liabilities, except for receivables considered doubtful, which are shown as non-current.

2.1 Summary of significant accounting policies

A) Use of Estimates

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

B) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment losses, if any. Cost includes purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Gain or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

C) Depreciation on Property, Plant and Equipment

- Depreciation is provided on a pro-rata basis for all property, plant and equipment on straight line method over the useful life of assets, except buildings which is determined on written down value method.
- Depreciation on leasehold improvements is provided for on straight line method over the primary period of lease of premises.
- Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
- Assets having unit value up to ₹ 5,000/- is charged off fully in the year of purchase of assets.
- Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.

D) Intangible assets and amortization thereof

Costs relating to acquisition and development of computer software are capitalized in accordance with the AS 26 'Intangible Assets' issued by the Institute of Chartered Accountants of India ('ICAI') and are amortised using the straight-line method over a period of five years, which is the Management's estimate of its useful life.

E) Impairment of asset

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment, based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

F) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried in the financial statements at lower of cost and fair value.

Quoted current investments for the purpose of valuation are grouped under categories and are carried at lower of cost or market value/net realizable value for each category.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

G) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Income from investment

- a. Interest on securities is accounted for on accrual basis except where the ultimate collection cannot be established with reasonable certainty.
- b. Profit/loss earned on sale of investments is recognized on settlement date basis. Profit or loss on sale of investments is determined on the basis of weighted average cost method. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(ii) Other Income

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

H) Income taxes

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred Tax resulting from timing differences between Book Profits and Tax Profits is accounted for at the current rate of tax or the substantively enacted rate of tax to the extent the timing differences are expected to crystallize, in case of Deferred Tax Liabilities with reasonable certainty and in case of Deferred Tax Assets with reasonable certainty that there would be adequate future taxable income against which Deferred Tax Assets can be realized. However, deferred tax asset arising on account of unabsorbed depreciation and business losses are recognized only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realized/set off.

I) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

J) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

K) Cash and Cash Equivalent

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and balance with bank including fixed deposit and short-term highly liquid investment with an original maturity of three months or less.

3 Share Capital	Amount in ₹	
	31-Mar-2018	31-Mar-2017
Authorised :		
15,000,000 (15,000,000) equity shares of ₹10 each	150,000,000	150,000,000
Issued, subscribed and Fully paid-up shares :		
14,000,000 (14,000,000) equity shares of ₹10 each	140,000,000	140,000,000
	140,000,000	140,000,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the year
Equity shares

	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	Amount in ₹	Nos.	Amount in ₹
At the beginning of the year	14,000,000	140,000,000	14,000,000	140,000,000
Outstanding at the end of the year	14,000,000	140,000,000	14,000,000	140,000,000

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

c. Shares held by holding company

	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 10 each fully paid Bajaj Housing Finance Limited	14,000,000	100.00%	14,000,000	100.00%

d. Details of shareholders holding more than 5% shares in the Company

	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 10 each fully paid Bajaj Housing Finance Limited	14,000,000	100.00%	14,000,000	100.00%

4 Reserves and surplus	Amount in ₹	
	31-Mar-2018	31-Mar-2017
Surplus / (Deficit) in the statement of profit and loss		
Balance as at the beginning of the year	(14,151,523)	(18,977,101)
Profit for the year	70,597,239	4,825,578
Balance as at the end of the year	56,445,716	(14,151,523)

5 Provisions	Amount in ₹			
	Long-term		Short-term	
	As at 31-Mar-18	31-Mar-17	As at 31-Mar-18	31-Mar-17
Provision for tax, net of advance tax (₹ 7,191)	-	-	17,388,500.00	-
	-	-	17,388,500.00	-

6 Trade Payable & Other Current liabilities	Amount in ₹	
	As at	
	31-Mar-2018	31-Mar-2017
(A) Trade payables		
Dues to micro and small enterprises	-	-
Dues to creditors other than micro and small enterprises	336,720	454,578
	<u>336,720</u>	<u>454,578</u>
(B) Other current liabilities		
Statutory Dues	19,900	18,665
Other Payables	348,228	-
	<u>368,128</u>	<u>18,665</u>
	<u>704,848</u>	<u>473,243</u>

In absence of any information on earlier requests to the vendors with regards to their registration (filing of Memorandum) under "The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006)" and in view of the terms of payments not exceeding 45 days, which has been promptly paid, no liability exists at the close of the year and hence no disclosures have been made in this regard.

7. Fixed Assets (tangible and intangible assets) Amount in ₹

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK As on 31 March 2018
	As on 31 March 2017	Additions	Deductions & Adjustments	As on 31 March 2018	As on 31 March 2017	Deductions & Adjustments	For the Year	
Tangible Assets :								
Computers	53,709	-	-	53,709	53,709	-	-	53,709
office Equipments	7,665	-	-	7,665	7,665	-	-	7,665
Total Tangible Assets	61,374	-	-	61,374	61,374	-	-	61,374
Intangible Assets :								
Software	2,928,237	-	-	2,928,237	2,928,237	-	-	2,928,237
Total Intangible Assets	2,928,237	-	-	2,928,237	2,928,237	-	-	2,928,237
Total Fixed Assets	2,989,611	-	-	2,989,611	2,989,611	-	-	2,989,611

7. Fixed Assets (tangible and intangible assets) Amount in ₹

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK As on 31 March 2017
	As on 31 March 2016	Additions	Deductions & Adjustments	As on 31 March 2017	As on 31 March 2016	Deductions & Adjustments	For the Year	
Tangible Assets :								
Computers	57,909	-	4,200	53,709	57,909	4,200	-	53,709
office Equipments	13,335	-	5,670	7,665	13,335	5,670	-	7,665
Total Tangible Assets	71,244	-	9,870	61,374	71,244	9,870	-	61,374
Intangible Assets :								
Software	2,928,237	-	-	2,928,237	2,928,237	-	-	2,928,237
Total Intangible Assets	2,928,237	-	-	2,928,237	2,928,237	-	-	2,928,237
Total Fixed Assets	2,999,481	-	9,870	2,989,611	2,999,481	9,870	-	2,989,611

Bajaj Financial Securities Limited
Notes to financial statements for the year ended 31 March 2018

8 Investments	Amount in ₹			
	Non-current		Current	
	31-Mar-2018	31-Mar-2017	31-Mar-2018	31-Mar-2017
Investments :				
In Mutual Funds (Current)				
Quoted:				
ICICI Prudential Flexible Income - Regular Plan - Growth (0 units, Previous Year: 530,950 units)	-	-	-	92,352,274
ICICI Prudential Flexible Income - Direct Plan - Growth (549,290 units, Previous Year: 108,354 units)	-	-	132,862	32,000,000
ICICI Prudential Flexible Income - Direct Plan - Monthly Dividend - Reinvest (2110342.499 units, Previous Year: 0 units)			213,964,671	
	-	-	214,097,533	124,352,274
In Fixed Deposits				
Fixed deposit with related party	-	-	-	1,080,000
	-	-	214,097,533	125,432,274

Amount in ₹

Particulars	Book value as at 31 March		Market value as at 31 March	
	2018	2017	2018	2017
Quoted	214,097,533	124,352,274	214,225,570	199,062,135
Unquoted	-	1,080,000	-	-
	214,097,533	125,432,274	214,225,570	199,062,135

Note: Open Ended Mutual Funds though not listed are quoted on National Stock Exchange (NSE) and are transactable through the exchange with Fund Houses at previous day close Net Asset Value (NAV). Hence considered as quoted.

9 Loans and advances (Unsecured, good, unless stated otherwise)	Amount in ₹			
	Long-term		Short-term	
	31-Mar-2018	31-Mar-2017	31-Mar-2018	31-Mar-2017
Advance Income Tax (Net of provision for tax C.Y. 5,70,000 ₹ & P.Y 5,70,000)	62,999	62,999	-	-
	62,999	62,999	-	-

15 Earning per share (EPS)

Earnings per share is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :

Particulars	For the year ended	
	31-Mar-2018	31-Mar-2017
a) Profit for the year after taxation (₹)	70,597,239	4,825,578
Weighted average number of shares outstanding during the year	14,000,000	14,000,000
b) Basic & Diluted Earnings per share (₹)	5.04	0.34
Face value per share ₹	10	10

16. Contingent liabilities

Contingent liability not provided for as on year end ₹ Nil. (P.Y. Nil).

17. Capital Commitments

Particulars	(₹ In Crore)	
	As at 31 March 2018	As at 31 March 2017
Capital commitments: Estimated amount of Contracts remaining to be executed on capital account not provided for (Net of Advances)	-	-

Note : 18		2017-18		2016-17	
Disclosure of Transactions with Related Parties as required by Accounting Standard -18:		Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet
Name of related party and Nature of relationship		Nature of transaction			
Name of related party and Nature of relationship		Nature of transaction			
A	Holding company, subsidiaries and fellow subsidiary:				
	Bajaj Finserv Limited (Ultimate holding company)	-	-	-	-
	Bajaj Housing Finance Limited (Holding company)	-	(140,000,000.00)	-	(140,000,000.00)
	Bajaj Finance Limited (Holding company of Bajaj Housing Finance Limited)	1,080,000.00	-	-	1,080,000.00
		51,901.00	-	124,484.00	302,014.00
		353,915.00	-	-	-
	Bajaj Allianz General Insurance Co Limited (Fellow Subsidiary)	-	-	-	-
	Bajaj Allianz Life Insurance Co Limited (Fellow Subsidiary)	-	-	-	-
	Bajaj Finserv Direct Limited (Formerly Known Bajaj Financial Holdings Limited) (Fellow Subsidiary)	-	-	-	-
B	Individuals controlling voting power / exercising significant influence and their Relatives:				
	Rahul Bajaj	-	-	-	-
	Shekhar Bajaj	-	-	-	-
	Madhur Bajaj	-	-	-	-
	Niraj Bajaj	-	-	-	-
C	Key Management Personnel & their Relatives:				
	S Sreenivasan (Chairman)	-	-	-	-
D	Enterprises over which anyone in (b) & (c) exercises significant influence:				
	Nil				
	Note :				
	Name of the related party where control exists have been disclosed irrespective of whether or not here have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.				
	Related parties as defined under clause 3 of the Accounting Standard-18- "Related Party Disclosures" have been identified based on representations made by key managerial personnel and information available with the Company. Accordingly disclosure have been made in respective notes to financial statements as required by schedule III to the Companies Act, 2013.				
	Transaction values are excluding taxes and duties				
	Outstanding Amount in bracket denotes credit balances				


19. Previous period financial statements were audited by the Company's previous auditors and figures have been regrouped/rearranged, wherever necessary, to conform to current period presentation.
20. BFSL, as mentioned in Note 1, has been incorporated to undertake a business of stock/share broking business and to act as Depository Participant, within the provisions of Securities and Exchange Board of India Act, 1992 & relevant rules & regulations. However, in absence of commercial operations in the company during the year, any surplus funds have been invested in mutual funds, fixed deposits etc. which in turn has generated income from those investments. Such investment and income thereon exceeds 50% of total assets and total income respectively. However, investing activity not being a principal business activity for the company, the company has not applied for NBFIL license with Reserve Bank of India.

21. Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.

Signatures to Notes '1' to '21'

As per our report of even date


For S R B C & CO LLP
Chartered Accountants
Firm Registration No. 324982E/E300003


per **Arvind Sethi**
Partner
Membership No: 089802

On behalf of the Board of Directors


S Sreenivasan
Chairman


J Sridhar
Director


Sandeep Jain
Chief Financial Officer


Anant Damle
Company Secretary

Date: 14 May 2018

Place: Pune