



**TWENTYFIRST CENTURY
SHARES AND SECURITIES LIMITED**

**74th ANNUAL REPORT
2015-2016**

Inside

Corporate Information	-	5
Notice	-	7 - 10
Directors' Report	-	11- 29
Financial Statements		
Independent Auditors' Report	-	30 - 35
Balance Sheet	-	37
Statement of Profit and Loss	-	38
Notes forming part of the Financial Statements	-	39 - 49
Cash Flow Statement	-	50

SEVENTY FOURTH (74) ANNUAL REPORT - 2015 - 2016

CORPORATE INFORMATION**Board of Directors**

Mr. Sundar Iyer -	Chairman and CEO (From 17 th March 2016)
Mr. Krishnan Muthukumar -	Non-Executive Director
Mr. A.V.M. Sundaram -	Non-Executive Director
Mr. Iyer Vishwanath –	Independent Director (From 17 th March 2016)
Ms. Sita Sunil –	Independent Director (From 10 th June 2015)

Chief Financial Officer – Mr.Bhaskar Shetty (From 17th March 2016)

Board Committees:**Audit Committee (Formed on 17th March 2016)**

Mr. Iyer Vishwanath – (Chairman of the committee)
Ms. Sita Sunil
Mr. Sundar Iyer

Nomination and Remuneration Committee (Formed on 17th March 2016)

Mr. Iyer Vishwanath – (Chairman of the committee)
Ms. Sita Sunil
Mr. Sundar Iyer

Statutory Auditors

M/s SHETH DOSHI & ASSOCIATES
Chartered Accountants
529, Sixth Floor, Ecstasy Business Park
City of Joy Commercial Complex
J.S.D.Marg, Near East West Flyover
Mulund (West), Mumbai – 400 080
Email ID: sheth_doshi@yahoo.co.in

Principal Bankers

ICICI BANK LIMITED
HDFC BANK LIMITED

Registered Office

1st Floor, Grease House,
Zakaria Bundar Road, SEWREE – WEST
Mumbai – 400 015
Tel.: 91 22 24191106 / 24156538
Fax: 91 22 24115260

Corporate Identity Number

U51900MH1942PLC003546

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the **74th Annual General Meeting** of the Company will be held on Monday, 26th September 2016 at 4.00 P.M., at **1B, GREASE HOUSE, ZAKARIA BUNDER ROAD, SEWREE (WEST) MUMBAI - 400015** to transact the following business.

ORDINARY BUSINESS

Item No.1 – Adoption of financial statements

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2016 and the reports of the Board of Directors (the Board) and Auditors thereon.

Item No.2 - Appointment of Director - Shri A.V.M. Sundaram

To appoint Mr. A.V.M. Sundaram, (DIN 00481864) who retires at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Item No.3 - Ratification of the Appointment of Auditors

To ratify the appointment of the auditors of the Company and to fix their remuneration and to pass, with or without modification, the following resolution as an Ordinary Resolution:

“Resolved that pursuant to Section 139,142 and other applicable provisions of the Companies Act 2013 and the Rules made there under, as amended from time to time, pursuant to the recommendations of the audit committee of the Board of Directors and

pursuant to the resolution passed by the members at the AGM held on 10th July 2015 the appointment of **M/s SHETH DOSHI & ASSOCATES**, Mumbai, Chartered Accountants, (Registration Number **110052W**) as the Statutory Auditors of the Company to hold office till the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending 31st March 2017, as may be determined by the audit committee in consultation with the auditors and that such remuneration be paid on a progressive billing basis as may be agreed upon between the Statutory Auditors and the Board of Directors of the company”

SPECIAL BUSINESS

Item No. 4 - Appointment of Mr. Iyer Vishwanath (DIN 00137166) as Non-Executive Independent Director

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.Iyer Vishwanath, (DIN 00137166) in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act,2013, along with the Deposit amount of Rs. 1,00,000, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the

Company to hold office for a term of 5 years up to 16th March 2021, not liable to retire by rotation.”

Item No. 5 – Approval of Related Party Transactions

To approve related party transaction and in this regard to consider and, if thought fit, to pass the following resolution as a **Ordinary Resolution**:

RESOLVED THAT pursuant to provisions of SEBI (LODR) REGULATIONS, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for transacting through M/s. SI BROKING AND INVESTMENTS LIMITED (Trading Member of National Stock Exchange of India Limited and Stock Exchange, Mumbai) (Associate of the company) as a business client for executing trades in CAPITAL MARKET SEGMENT AND DERIVATIVES TRADING IN SHARES (F&O) through NSEIL and STOCK EXCHANGE, MUMBAI and which falls under the definition of material related party transaction during the financial year – 2016-17, on the terms as briefly mentioned in the explanatory statement to this resolution.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction.”

By Order of the Board

Place: Mumbai
Date: 15th July 2016

Sundar Iyer
Chairman

NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- b) The instrument appointing proxy (duly completed, stamped and signed) in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the 74th Annual General Meeting of the company. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than 3 days written notice is given to the company.
- c) Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution on the letterhead of the Company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Iyer Vishwanath is a Non-Executive Independent Director of the holding company – TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED. He has been appointed as a Non-Executive Independent Director in the Annual General Meeting of the Holding Company on 17th July 2015 for a period of 5 years.

Mr. Iyer Vishwanath is also a Director in TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED AND SNACO CONSULTING PRIVATE LIMITED in India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Iyer Vishwanath being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of 5 years up to 16th March 2021. A notice of candidature has been received from a member proposing Mr. Iyer Vishwanath as a candidate for the office of Director of the Company along with the Refundable Deposit of Rs.1,00,000/-.

Based on the declaration received from the appointee director and in the opinion of the Board, Mr. Iyer Vishwanath fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company. The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Iyer Vishwanath as an Independent Director.

Copy of the draft letter for appointment of Mr. Iyer Vishwanath as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any day.

Except Mr. Iyer Vishwanath, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4. This Explanatory Statement may also be regarded as a disclosure under the provisions of SEBI (LODR) REGULATIONS, 2015.

Item No. 5

The major activity of the company is INVESTMENT IN SHARES AND TRADING IN SHARES AND DERIVATIVES. This requires purchase and sale

of shares through NSEIL and STOCK EXCHANGE, MUMBAI. The expected annual brokerage payable to M/s. SI BROKING AND INVESTMENTS LIMITED (Trading Member of National Stock Exchange of India Limited and Stock Exchange, Mumbai) (Associate of the company) will be to the extent of Rs.150 lacs (based on the previous year's turnover and business transacted). The company will be charged brokerage @0.02% for derivative transactions and @0.25% for cash market transactions along with other statutory charges like STT, Stamp Duty, etc as is applicable to similar business clients of M/s. SI BROKING AND INVESTMENTS LIMITED (Trading Member of National Stock Exchange of India Limited and Stock Exchange, Mumbai).

Even though the provisions of Companies Act, 2013 regarding related party transactions are not attracted to such transaction it becomes a material related party transaction by virtue of clause 49 of listing agreement. The transaction executed with M/s. SI BROKING AND INVESTMENTS LIMITED (Trading Member of National Stock Exchange of India Limited and Stock Exchange, Mumbai) (Associate of the company) as a business client for executing trades in CAPITAL MARKET SEGMENT AND DERIVATIVES TRADING IN SHARES (F&O) through NSEIL and STOCK EXCHANGE, MUMBAI, is in the ordinary course of business and at arm's length basis. Therefore the approval of the shareholders is being sought in compliance of the provisions of SEBI (LODR) REGULATIONS, 2015.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Shri Sundar Iyer – Promoter and Chairman of our company, Promoter of M/s. SI BROKING AND INVESTMENTS LIMITED is concerned or interested, financially or otherwise, in these Resolutions. The Board recommends this Resolution for your Approval.

INFORMATION AS REQUIRED UNDER REGULATION 36 (3) SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING REAPPOINTED/ APPOINTED

Particulars of Directors	Mr. Iyer Vishwanath	Mr. A.V.M. Sundaram
Date of Birth	23.10.1955	01.09.1951
Date of Appointment	16th March 2016	26th June 1999
Qualifications	Chartered Accountant	M. Com, B.G.L, FCS, AICWA
Expertise in specific functional areas	Accounts, Audit and Taxation Services	Experienced in Debt Market, Capital Market and Banking
Chairmanships/ Directorships of other companies (excluding Foreign Companies and Section 8 companies)	1. SNACO CONSULTING PRIVATE LIMITED 2. TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED	Nil
Chairmanships/ Memberships/ of Committees of other Public Companies	TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED	NIL
i. Audit committee		
ii. Stakeholders Relationship Committee		
iii. Nomination and Remuneration Committee		
Number of shares held in the Company	NIL	NIL

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 74th Annual Report of your company together with the Auditor's Report for the year ended 31st March 2016.

FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2016.

	Rupees in lacs	
	31/3/2016	31/03/2015
Profit/(Loss) before depreciation & tax	(664.29)	(45.86)
Depreciation	10.07	29.00
Profit/(Loss) before tax	(674.36)	(74.86)
Provision for tax / Short Provision	31.13	0.00
Deferred tax	17.75	(6.71)
Profit/(Loss) after tax	(723.24)	(68.15)

BUSINESS & PERFORMANCE

The company was a Trading Member of National Stock Exchange of India Limited (NSEIL) and was engaged in broking activities for Retail and Institutional Clients. The company had surrendered its Trading Membership of National Stock Exchange of India Limited during December 2014. The company commenced its investment activity during this financial year. For the current financial year the company has incurred loss of Rs. 723.24 Lacs.

During this financial year the company has initiated the process for recovery

of the dues from some of the Trading Clients. The company has filed three applications for the award of Arbitration with NSEIL for recovering dues from three clients but the same has been rejected as time barred debt.

The company appointed M/s. Shankar and Kishor, Chartered Accountants, Mumbai to make a detailed investigation on the misappropriation of assets (shares) of the company and possible diversion of funds in November 2014. Based on the report given by M/s. Shankar and Kishor, Chartered Accountants, Mumbai the company has filed a complaint with the local police to initiate action against the persons involved in such misappropriation of assets of the company and diversion of funds. The investigation is in progress.

STATE OF COMPANY'S AFFAIR

The company's performance was adversely affected during the year ended 31st March 2013 due to the depressed market conditions. The company is concentrating in consolidation and recovery work.

DIVIDEND

Your company has not declared any dividend due to inadequacy of profits for the Financial Year ended 31st March 2016. Your company has not declared any dividend during the last financial year 2014-15 also.

RESERVES

During the financial year 2015-16, the Board has not proposed transfer of any amount to any reserves.

DEPOSITS

Your Company has neither invited nor accepted deposits from the public and hence provisions of the Companies Act, 2013 are not applicable.

EXTENSION OF MATURITY DATE OF CUMULATIVE NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES

The Company had issued 750000 – 12% Cumulative Non-Convertible Redeemable Preference Shares of Rs.100 each to the holding company – Twentyfirst Century Management Services Limited on 17th September 2012 which matured for payment on 16th September 2015. Since the company did not have adequate funds for the payment of cumulative dividend and the principal amount on the date of maturity it sought the approval from the members of the company in its Extraordinary General Meeting (EGM) held on 14th September 2015 for the extension of the redemption date by another three years. Accordingly the 750000 – 12% Cumulative Non-Convertible Redeemable Preference Shares of Rs.100 each is now payable on or before 16th September 2018 with the same rights and tenor of the issue.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken 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;
- d. that the annual financial statements have been prepared on a going concern basis;

- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INDEPENDENT DIRECTORS' DECLARATION

Mr. Iyer Vishwanath, and Mrs. Sita Sunil who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and pursuant to provisions of SEBI (LODR) REGULATIONS, 2015 (including any amendment, modification or re-enactment thereof). Further, there has been no change in the circumstances which may affect their status as independent director during the year.

POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered in Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act, is enclosed at **Annexure-I** in the prescribed form **MGT-9** and forms part of this Report.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Mr. Sundar Iyer, Chairman & Chief Executive Officer and forms part of the Annual Report.

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

Mr. Krishnan Muthukumar, Non-Executive Director is related to Mr. Sundar Iyer, Chairman and Chief Executive Officer of the company. None of the other Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and pursuant to provisions of SEBI (LODR) REGULATIONS, 2015 (including any amendment, modification or re-enactment thereof).

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans, guarantees and investments under Section 186 of the Act during the financial year 2015-16.

TRANSACTIONS WITH RELATED PARTIES

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and on arm's length basis. Thus provisions of Section 188(1) of the Act are not applicable. The details are given in AOC - 2 below.

AOC2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements /transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Justification for entering into such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

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

a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any (in Rs.)
SI INVESTMENTS AND BROKING PVT LTD	For execution of Trades through NSE & BSE as a Trading Client	One Year	The company will put through all transactions relating to purchase and sale of shares and in Derivatives Segment of both the exchanges - NSE & BSE	17th May 2016	Brokerage as per rates applicable to clients. Margin money as required for derivatives segment will be paid.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The company is operating as an Investment Company and is engaged mainly in Trading and Investment in Capital Market and Derivatives Segment of NSE & BSE. The Investment operations are mainly done with the supervision of the Investment Committee and the Chairman & CEO of the company.

The CEO with his rich and varied experience analyses the risk involved in such investments and takes appropriate decisions.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr.Iyer Vishwanath who was appointed as Additional Director on 17 th March 2016 and holds the said office till the date of the Annual General Meeting. A notice has been received from a member proposing his candidature for his appointment. The Board recommends his appointment to the Shareholders for their approval at the ensuing AGM.

Mr.A.V.M.Sundaram retires at this Annual General Meeting and being eligible offer himself for re-election.

PARTICULARS REGARDING BOARD OF DIRECTORS AND COMMITTEES AND THE MEETINGS HELD DURING THE YEAR 2015-16

1. Board of Directors

Composition and category of Board of Directors.

The Board of Directors of the company comprises of Executive Chairman, Two (2) Non-executive Director and Two (2) Independent (Non Executive) Directors, including a WOMAN DIRECTOR.

Attendance at the Board Meetings and Annual General Meeting are as under:

Dates of Board Meeting

During the financial year 2015-2016, Seven (7) meetings were held on the following dates: 21 st April 2015, 10th June 2015, 17 th July 2015, 3 rd September 2015, 30 th October 2015, 12 th February 2016 and 17 th March 2016.

The last Annual General Meeting was held on 10 th July 2015.

The Board comprises of two independent directors out of present strength of five directors. Composition, attendance of each director at the Board Meetings and at the last AGM and the number of other directorship, committee memberships are set out below:

Name	Category	No. of Board Meeting attended	Attendance at the last AGM	Directorship in other Companies	Other Companies Committee Chairmans-ships	Other Companies Committee Memberships
Mr. Sundar Iyer	Chairman-Executive Director	7	Yes	4	Nil	3
Mr. A.V.M. Sundaram	Non -Executive Director	7	Yes	Nil	Nil	Nil
Mr. Krishnan Muthukumar	Non - Executive Director	7	Yes	4	Nil	Nil
Mr. Iyer Vishwanath	Independent Non -Executive Director	1	No	2	Nil	Nil
Ms. Sita Sunil	Independent Non-Executive Woman Director	6	Yes	3	Nil	1

2. Board Committees:

A. Audit Committee

The Audit Committee was formed on 17 th March 2016.

Charter

The primary object of Audit Committee of the company is to monitor and provide effective

supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

Composition

The company derived immense benefit from the deliberation of audit committee comprising of the following directors of the company:

Name	Category of membership
Mr. Iyer Vishwanath	Chairman
Ms. Sita Sunil	Member
Mr. Sundar Iyer	Member

Chairman is a Non-Executive Independent Director.

Meeting and Attendance of the Committee

During the financial year four Audit Committee meeting was held on 17th March 2016.

The attendance of directors at the Audit Committee meetings held during the year 2015-16 is given below:

Name	Category of membership	Meetings held	Meetings attended
Mr. Iyer Vishwanath	Chairman	1	1
Ms. Sita Sunil	Member	1	1
Mr. Sundar Iyer	Member	1	1

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed on 17 th March 2016 with the following members:

1. Mr. Iyer Vishwanath, Chairman of the Committee.
2. Ms. Sita Sunil, Member
3. Mr. Sundar Iyer, Member

Chairman of the Committee is a Non-Executive Independent Director.

Meeting and Attendance of the Committee

During the financial year one Nomination and Remuneration Committee meeting was held on 17 th March 2016. The terms of reference of the Nomination and Remuneration Committee are as per the Charter as mentioned above.

CORPORATE SOCIAL RESPONSIBILITY

Your company is not meeting the threshold as prescribed under Companies Act, 2013, i.e., Net Profit greater than Rs.5 Crores or Turnover greater than Rs.1000 Crores or Net worth

greater than Rs. 500 Crores in the preceding 3 Financial Years and therefore the provisions relating to CSR in accordance with the provisions of section 135 of the Act does not arise.

VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns.

AUDITORS & AUDIT REPORT

M/s SHETH DOSHI & ASSOCIATES, Chartered Accountants, auditors of the company retire at the ensuing Annual General Meeting and are eligible for reappointment.

Auditors of the company in their report made an observation that:

The company has not made provision for Doubtful Debts amounting to Rs.3273.84 lacs and that had the observation been considered then the loss for the year would have been Rs.3997.08 lacs (as against reported loss figures of Rs.723.24 lacs) and the accumulated losses would have been Rs.3997.08 lacs (as against reported figure of accumulated loss of Rs.1101.97 lacs) and the balance of trade receivables would

have been Rs. NIL (as against the reported figure of Rs.3273.84 lacs)

Board of Directors are of the opinion that the company is making all out efforts to recover the dues from the trading clients. However due to inadequacy of profits the company could not make any provision for the doubtful debts.

The Board of Directors thanks the Shareholders, Auditors, Customers and Bankers for their continued support.

SHARE CAPITAL

During the year there were no share allotments.

EXTRACT OF THE ANNUAL RETURN

Extract of the annual return in Form No. MGT- 9 – ANNEXURE – I shall form part of this Board's Report.

PARTICULARS OF REMUNERATION

The information required pursuant to Section 197(12) read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is not applicable to the company.

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company. Particulars of remuneration paid are detailed in Para VI of Annexure-II – Extract of Annual Return – MGT9.

PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

For and on behalf of the Board

Sundar Iyer
Chairman

Place: Mumbai

Date: 15th July 2016

ANNEXURE – I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

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

I.	REGISTRATION & OTHER DETAILS:	
1.	CIN	U51900MH1942PLC003546
2.	Registration Date	10th FEBRUARY 1942
3.	Name of the Company	TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES – INDIAN NON-GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	1B, GREASE HOUSE, ZAKARIA BUNDER ROAD, SEWREE WEST MUMBAI - 400015.
6.	Whether listed company	NO
7.	Name, Address & contact details . of the Registrar & Transfer Agent, if any	NOT APPLICABLE

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Investments in shares and trading in Shares & Derivatives	65993	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED Regd Office: No.67, Old No. 28-A Door No. G-3, Eldams Road, Alwarpet, Chennai- 600 018.	CIN L74210TN1986PLCO12791	HOLDING	100%	Section 2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	0	5589500	5589500	100.00	0	5589500	5589500	100.00	0.00
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)	0	5589500	5589500	100.00	0	5589500	5589500	100.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0
2. NON INSTITUTIONS									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)									
Non Resident Indians	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
NRN's									
Foreign Company									
HUF									
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Market Maker	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	5589500	5589500	100.00	0	5589500	5589500	100.00	0.00

B. Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Pledged / encumbered to total shares	
1	TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED	5589500	100%	NIL	5589500	100%	NIL	0.00
	TOTAL	5589500	100%	NIL	5589500	100%	NIL	0.00

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5589500	100.00		
	During the year	0	0.00	0	0.00
	At the end of the year			5589500	100.00

**C) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):
NOT APPLICABLE****D) Shareholding of Directors and Key Managerial personnel :**

SN	Mr. Sundar Iyer (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0		
	During the year	0	0		
	At the end of the year			0	0

SN 2	Mr. Krishnan Muthukumar (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0		
	During the year	0	0		
	At the end of the year			0	0

SN 3	Mr. A.V.M. Sundaram (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0		
	During the year	0	0		
	At the end of the year			0	0

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rupees in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	2856.73	Nil	2856.73
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	2856.73	Nil	2856.73
Change in Indebtedness during the financial year				
* Addition	Nil	949.12	Nil	949.12
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	949.12	Nil	949.12
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	3805.85	Nil	3805.85
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	3805.85	Nil	3805.85

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary	Nil	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act					

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of the Directors			Total Amount
		Sundar Iyer	Krishnan Muthukumar	A. V. M. Sundaram	
1	Independent Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - NO KEY MANAGERIAL PERSONNEL

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit others, specify...	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil
5	Others, please specify Total	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company defines Corporate Governance as a systematic process by which companies are directed and controlled to enhance their wealth generating capacity. Since large corporations employ vast quantum of social resources, we believe that the governance process should ensure that these companies are managed in a manner that meets stakeholders' aspirations and social expectations.

The basic objective of corporate governance policies adopted by the company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also goes beyond them by putting into place procedures and systems, which are in accordance with best practice of governance. Your company believes that good corporate governance enhance the trust and confidence of all the stakeholders. Good practice in corporate behavior helps to enhance and maintain public trust in companies and stock market.

2. Board of Directors

Composition and category of Board of Directors.

The Board of Directors of the company comprises of Executive Chairman, Two (2) Non-executive Director and Two (2)

Independent (Non Executive) Directors, including a WOMAN DIRECTOR.

Attendance at the Board Meetings and Annual General Meeting are as under:

Dates of Board Meeting

During the financial year 2015-2016, Seven (7) meetings were held on the following dates:

21st April 2015, 10th June 2015, 17th July 2015, 3rd September 2015, 30th October 2015, 12th February 2016 and 17th March 2016.

The last Annual General Meeting was held on 10th July 2015.

The Board comprises of two independent directors out of present strength of five directors. Composition, attendance of each director at the Board Meetings and at the last AGM and the number of other directorship, committee memberships are set out below:

Name	Category	No. of Board Meeting attended	Attendance at the last AGM	Directorship in other Companies	Other Companies Committee Chairmanships	Other Companies Committee Memberships
Mr. Sundar Iyer	Chairman-Executive Director	7	Yes	4	Nil	3
Mr. A. V. M. Sundaram	Non- Executive Director	7	Yes	Nil	Nil	Nil
Mr. Krishnan Muthukumar	Non - Executive Director	7	Yes	4	Nil	Nil
Mr. Iyer Vishwanath	Independent Non-Executive Director	1	No	2	Nil	Nil
Ms. Sita Sunil	Independent Non-Executive Woman Director	6	Yes	3	Nil	1

3. Board Committees:

A. Audit Committee

The Audit Committee was formed on 17th March 2016.

Charter

The primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

Composition

The company derived immense benefit from the deliberation of audit committee comprising of the following directors of the company:

Name	Category of membership
Mr. Iyer Vishwanath	Chairman
Ms. Sita Sunil	Member
Mr. Sundar Iyer	Member

Chairman is a non-executive Independent director.

The major terms of reference of this committee are as under:

- Reviewing with management, the financial statements before submission of the same to the Board

- Overseeing of company's financial reporting process and disclosures of its financial information.
- Reviewing the adequacy of the internal audit function.
- Recommendation for appointment and fixing remuneration of statutory auditors.
- Reviewing the reports furnished by the statutory auditors and ensuring suitable follow up thereon.

Meeting and Attendance of the Committee

During the financial year one Audit Committee meeting was held on 17th March 2016. The terms of reference of the Audit Committee are as per the Charter as mentioned above.

The attendance of directors at the Audit Committee meetings held during the year 2013-2014 is given below:

Name	Category of membership	Meetings held	Meetings attended
Mr. Iyer Vishwanath	Chairman	1	1
Ms. Sita Sunil	Member	1	1
Mr. Sundar Iyer	Member	1	1

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed on 17th

March 2016 with the following members:

1. Mr. Iyer Vishwanath, Chairman of the Committee.
2. Ms. Sita Sunil, Member
3. Mr. Sundar Iyer, Member

Chairman of the Committee is a non-executive director.

Terms of reference

The Nomination and Remuneration Committee specifically looks into the fixation of remuneration of the Key Managerial Personnel and evaluates the appointment of Independent Directors.

Meeting and Attendance of the Committee

During the financial year one Nomination and Remuneration Committee meeting was held on 17th March 2016. The terms of reference of the Nomination and Remuneration Committee are as per the Charter as mentioned above.

CORPORATE RESPONSIBILITY SOCIAL

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy.

During the last three financial years, the company has not made any profits and hence the expenditure on account of CSR is not applicable

RISK MANAGEMENT

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns. For details, please refer to the Corporate Governance Report attached to this Report.

AUDITORS & AUDIT REPORT

M/s SHETH DOSHI & ASSOCIATES, Chartered Accountants, auditors of the company retire at the ensuing Annual General Meeting and are eligible for reappointment.

Auditors of the company in their report made an observation that:

The company has not made provision for Doubtful Debts amounting to Rs.3273.84 lacs and that had the observation been considered then the loss for the year would have been Rs.3997.08 lacs (as against reported loss figures of Rs.723.24 lacs) and the accumulated losses would have been Rs.3997.08 lacs (as against reported figure of accumulated loss of Rs.1101.97 lacs) and the balance of trade receivables would have been Rs. NIL (as against the reported figure of Rs.3273.84 lacs)

Board of Directors are of the opinion that the company is making all out efforts to recover the dues from the trading clients. However due to inadequacy of profits the company could not make any provision for the doubtful debts.

The Board of Directors thanks the Shareholders, Auditors, Customers and Bankers for their continued support.

SHARE CAPITAL

During the year there were no share allotments.

EXTRACT OF THE ANNUAL RETURN

Extract of the annual return in Form No. MGT- 9 – ANNEXURE – I shall form part of this Board's Report.

PARTICULARS OF REMUNERATION

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year Nil
- b) Employed for part of the year Nil

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company. Particulars of remuneration paid are detailed in **Para VI of Annexure-I – Extract of Annual Return – MGT9.**

PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

For and on behalf of the Board

Place: Mumbai
Date: 15th July 2016

Sundar Iyer
Director

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Twentyfirst Century Shares & Securities
Limited,
1st Floor, Grease House,
ZakariaBundar Road,
Sewri (W),
Mumbai -400 015.

1. Report on the Financial Statements

We have audited the accompanying financial statements of TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss, the cash flow statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision

of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 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.

3. Auditors' 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 there under.

We conducted our audit in accordance with the Standards on Auditing 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 true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements are subject to Non Provision of Doubtful Debts amounting to Rs. 3273.84 lacs.

We further report that, had the observation made by us in para above been considered, the loss for the year would have been Rs. 3997.08 lacs (as against the reported loss figures of

Rs. 723.24 lacs) and accumulated loss would have been Rs.3656.35 lacs (as against reported figure of accumulated loss of Rs.1101.97 Lacs) and the balance of trade receivables would have been Rs. Nil (as against the reported figure of Rs. 3273.84 lacs).

The aforesaid 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:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016; and
- b. In the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date.
- c. In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditors Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 & 4 of the Order.
- b. As required by section 143(3) of the Act, we report that:

- i. 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;
- ii. 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;
- iii. 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;
- iv. In our opinion, aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- v. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
- vi. 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**".
- vii. With respect to the other matters included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to best of our information and according to the explanation given to us.
- The company has disclosed the impact of pending litigation on its financial position in its financial statement.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred to the Investor's Education and Protection fund.

Place: Mumbai
Date: 17.05.2016

For Sheth Doshi & Associates
Chartered Accountants

B M Doshi
Proprietor
Membership No. 017370

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

1. In respect of Fixed Asset

- a. The company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets. As per information and explanation given to us, during the year, the company has disposed off all of its fixed assets and it has not affected the going concern status of the company.
- b. The fixed assets of the company have been physically verified by the Management in a phased manner, designed to cover all the items over a period of 3 years, which in our opinion the verification is reasonable having regard to the size of the company and the nature of its business. Pursuant to the program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical assets have been noticed on such verification.
- c. The title deed of immovable properties are held in the name of the company.

2. In respect of its Inventory

The company is a service company, primarily engaged in investing activities. Accordingly, it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable to the company.

3. In respect of repayment of the loans granted by the company

The company has not given any loan. Thus paragraph 3(iii) of the Order is not applicable to the company.

4. In respect of compliance of section 185 and 186 of the Companies Act, 2013

The company has not given any loan to its directors. Thus paragraph 3(iv) of the Order is not applicable to the company and hence the question of compliance of section 185 and 186 of the Companies Act, 2013 does not arise.

5. The Company has not accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. We have been informed that Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in respect of any activities carried on by the Company.

7. According to the information and explanations given to us, the company has been regular in depositing dues and has also been regular in depositing undisputed income tax and other applicable statutory dues with appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax as at 31st

March 2015 which have not been deposited on account of a dispute pending are as under:

Name of the Statute	AY	Nature of Dispute	Forum where the disputes are pending	Amount Disputed
Income tax Act, 1961	2009-10	Disallowance on account of transaction charges of Rs. 21.21 lacs	CIT (Appeals)-8 Mumbai	NA
Income tax Act, 1961	2010-11	Disallowance u/s 14A of Rs 2,3348,520/- Addition U/s 69 of Rs. 2,29,13,387/- Addition U/s 68 of Rs. 7,50,00,000/-	CIT (Appeals)-8 Mumbai	Rs.365.62 Lacs
Income tax Act, 1961	2012-13	Penalty u/s 271(1)(c)	CIT (Appeals)-9 Mumbai	Rs. 14.96 Lacs

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of dues to financial institutions and banks or debenture holders.
9. The company has not given any guarantees for loans taken by others from banks or financial institutions.
10. To the best of knowledge and belief and according to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.
11. To the best of knowledge and belief and according to the information and explanations given to us, no managerial

remuneration has been paid. Hence, paragraph 3(xi) is not applicable to the company.

12. To the best of knowledge and belief and according to the information and explanations given to us, the company is not a Nidhi Company. Hence, paragraph 3(xii) is not applicable to the company.
13. In our opinion, all the transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. To the best of knowledge and belief and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, paragraph 3(xiv) is not applicable to the company.
15. To the best of knowledge and belief and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with it. Hence, paragraph 3(xv) is not applicable to the company.
16. To the best of knowledge and belief 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. Hence, paragraph 3(xvi) is not applicable to the company.

For Sheth Doshi & Associates
Chartered Accountants

Place: Mumbai
Date: 17.05.2016

B M Doshi
Proprietor
(M.No. 017370)

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of Section 143 of the Companies Act, 2013 (“The Act”)

We have audited the internal financial controls over financial reporting of TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED (“the Company”), as of 31st March, 2016 in conjunction with our audit of the financial statements of the company for the year ended.

Management’s Responsibility for Internal Financial Controls.

The Company’s management is responsible for establishing and maintaining internal controls based on the internal control over financial reporting criteria established by the company considering the essential components of the internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accounts 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 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to 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 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 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

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, 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, 2016, 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.

Place: Mumbai

Date: 17.05.2016

For Sheth Doshi & Associates
Chartered Accountants

B M Doshi
Proprietor
Membership No. 017370

BALANCE SHEET AS ON 31ST MARCH 2016

Rupees in lakhs

	NOTES	31/03/2016	31/03/2015
I Equity & Liabilities			
Shareholders' Funds			
a) Share Capital	3	1308.95	1308.95
b) Reserves & Surplus	4	(1096.77)	(373.53)
Non-Current Liabilities			
Short-term borrowings	5	2272.22	2272.22
Current Liabilities			
a) Short-term borrowings	6	678.94	0.00
b) Trade payables	7	853.51	583.29
c) Other current liabilities	8	1.18	1.22
Total		4018.03	3792.15
II Assets			
Non-Current Assets			
a) Fixed Assets			
Tangible assets	9	0.00	82.04
b) Non-current investments		0.00	0.00
c) Deferred tax asset		0.00	17.75
d) Long-term loans & advances	10	238.60	240.72
Current Assets			
a) Current investments	11	47.15	0.00
b) Trade receivables	12	3273.84	3277.62
c) Cash and bank balances	13	180.11	174.02
d) Short-term loans and advances		0.00	0.00
e) Other current assets	14	278.33	0.00
Total		4018.03	3792.15

See accompanying notes forming part of the financial statements

As Per our report attached

For Sheth Doshi & Associates
Chartered Accountants
Firm Registration No. 110052W

For and on behalf of the Board

B M Doshi (M. No. 017370)
Proprietor
Place: Mumbai
Date: 17-05-2016

SUNDAR IYER
Director

KRISHNAN MUTHUKUMAR
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

Rupees in lakhs

	NOTES	3/31/2016	3/31/2015
Revenue			
Revenue from Operations	15	(911.96)	0.00
Other Income	16	13.76	3.11
Total revenue		(898.20)	3.11
Expenses			
Employee benefits expense	17	0.00	13.74
Finance costs		0.00	0.00
Depreciation and amortisation expenses	9	10.07	29.00
Other expenses	18	44.13	35.23
Total expenses		54.20	77.97
Profit/(Loss) before exceptional and extraordinary items and tax		(952.40)	(74.86)
Exceptional items			
Profit on sale office premises		278.04	0.00
Profit/(Loss) before extraordinary items and tax		(674.36)	(74.86)
Extraordinary items		0.00	0.00
Profit/(Loss) before tax		(674.36)	(74.86)
Tax expense			
Current tax		0.00	0.00
Short provision for earlier years		31.13	
Deferred tax		17.75	(6.71)
		48.88	(6.71)
Profit/ (Loss) for the year		(723.24)	(68.15)
Earnings per equity share of Rs. 10/- each (in Rs.) Basic and diluted		(12.94)	(1.22)

See accompanying notes forming part of the financial statements**As Per our report attached**

For Sheth Doshi & Associates
Chartered Accountants Firm Registration No. 110052W

B M Doshi (M. No. 017370)
Proprietor

SUNDAR IYER
Director

For and on behalf of the Board

KRISHNAN MUTHUKUMAR
Director

Place: Mumbai
Date: 17-05-2016

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**1. General information**

The company was a trading member of National Stock Exchange of India Limited in cash, derivative and wholesale debt market segment. The Company has surrendered its membership card for all the segments with the NSE and same has been approved during the year by the Exchange. The Company is now engaged in trading activities in shares and derivatives through NSE and BSE.

2. Significant Accounting Policies**a) BASIS OF ACCOUNTING**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards and the relevant provisions of the Companies Act 2013 of India.

b) USE OF ESTIMATES

The preparation of financial statements are in conformity with the Generally Accepted Accounting Principles, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based

upon management's best knowledge of current events and actions, actual results could differ. Differences between the actual results and estimates are recognized in the period in which the results are known or materialized.

c) REVENUE RECOGNITION

Revenue Income and Expenditure are generally accounted on accrual or as they are earned or incurred except in case of significant uncertainty. Profit/Loss from trading activity is recognized on trade dates on first in first out basis. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions. Dividend income is accounted for on receipt basis.

d) FIXED ASSETS

Fixed asset is stated at cost less depreciation and impairment losses.

e) DEPRECIATION

Assets are depreciated under the written down value method at the rates prescribed in Schedule II to the companies Act, 2013.

f) INVESTMENTS

Current and Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

g) CURRENT & DEFERRED TAX

Provision for current income tax is made in accordance with the Income Tax Act 1961. Deferred tax liabilities and assets are recognized at substantively enacted tax rates, subject to the consideration of prudence on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

h) EMPLOYEE BENEFITS

Company has surrendered the NSE membership card, hence there were no employees during the year under review. All the dues of employees were settled on their resignation.

i) CONTINGENT LIABILITY

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or present obligation that may, but probably will not require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote.

j) IMPAIRMENT OF ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date

for indication of any impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value and impairment loss is charged to the Profit & Loss account. The impairment of loss recognized in the prior accounting period is reversed if there has been a change in estimates of recoverable amount.

k) CURRENT ASSETS, LOANS & ADVANCES

The current assets, Loans and Advances have a value on realization at least equal to the amount at which they are stated in the balance sheet.

l) BORROWING COSTS

Borrowing costs that are attributable to the acquisition of assets are capitalized as part of cost of the asset. All other borrowing costs are charged to statement of Profit and Loss.

m) SEGMENT REPORTING

The Company operates in only one segment i.e., Capital Market operations, hence segment reporting in accordance with Accounting Standard-17 is not applicable.

NOTE-3
SHARE CAPITAL

	Rupees in lakhs	
	31/03/2016	31/03/2015
Authorised capital		
60,00,000 equity shares of Rs.10/-each	600.00	600.00
9,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each	900.00	900.00
	1500.00	1500.00
Issued, subscribed and paid up		
55,89,500 equity shares of Rs.10/-each fully paid up held by Twentyfirst Century Management Services Limited	558.95	558.95
7,50,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each redeemable by the end of 16-09-2018 held by Twentyfirst Century Management Services Limited	750.00	750.00
	1308.95	1308.95

Disclosure:

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity shares	31-03-2016		31-03-2015	
	Qty	Rs. In lacs	Qty	Rs. In lacs
At the beginning of the period	5589500	558.95	5589500	558.95
Issued during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	5589500	558.95	5589500	558.95

Redeemable Preference shares	31-03-2016		31-03-2015	
	Qty	Rs. In lacs	Qty	Rs. In lacs
At the beginning of the period	750000	750.00	750000	750.00
Issued during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	750000	750.00	750000	750.00

2. Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having face value of Rs.10 per share. Every shareholder is entitled to one vote for every one share held. In the event of liquidation, the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion to their share holdings.

Cumulative Redeemable Preference Share (CRPS):

The company has issued 7,50,000 12% CRPS of Rs. 100 each. Each CRPS will be redeemable at par on 16th September 2018 together with arrears of dividend, if any.

3. Details of shares held by Holding Company, the ultimate holding company, their subsidiaries and associates

Particulars	Equity Shares with voting rights	Redeemable Preference shares
As on 31st March 2016 Twentyfirst century Mgt Services Ltd the holding Company	5589500	750000
As on 31st March 2015 Twentyfirst century Mgt Services Ltd the holding Company	5589500	750000

4. Details of Shareholders holding more than 5% shares in the company.

Equity shares of Rs. 10/- each fully paid up

Name	31/03/2016		31/03/2015	
	Qty	% of holding	Qty	% of holding
Twentyfirst century Mgt Services Ltd	5589500	100	5589500	100

Note:

Out of above 6 shares were held by Directors and relatives as a nominees of holding company.

Preference shares of Rs. 100/- each fully paid up

Name	31/03/2016		31/03/2015	
	Qty	% of holding	Qty	% of holding
Twentyfirst century Mgt Services Ltd	750000	100	750000	100

	Rupees in lakhs	
	31/03/2016	31/03/2015
NOTE-4		
RESERVES AND SURPLUS		
Capital reserves	0.00	2.24
Revaluation reserves	0.00	1.96
General reserve		
Opening balance	1.00	1.00
Transferred from capital reserve	2.24	0.00
Transferred from revaluation reserve	1.96	0.00
	<u>5.20</u>	<u>1.00</u>
Surplus/(Deficit)		
Balance brought forward from previous year	(378.73)	(310.58)
Profit/(Loss) for the period	(723.24)	(68.15)
Balance carried forward to next year	(1,101.97)	(378.73)
	<u>(1096.77)</u>	<u>(373.53)</u>
NOTE-5		
LONG TERM BORROWING		
Due to Holding company	2272.22	2272.22
	<u>2272.22</u>	<u>2272.22</u>
NOTE-6		
SHORT TERM BORROWING		
Due to Holding company	678.94	0.00
	<u>678.94</u>	<u>0.00</u>
NOTE-7		
TRADE PAYABLES		
Due to directors	583.29	583.29
Due to companies in which directors are interested	270.22	0.00
	<u>853.51</u>	<u>583.29</u>
NOTE-8		
OTHER CURRENT LIABILITIES		
Other Payables		
Statutory remittance	0.13	0.19
Outstanding expenses	1.05	1.03
	<u>1.18</u>	<u>1.22</u>

NOTE-9

Rupees in lakhs

TANGIBLE FIXED ASSETS & DEPRECIATION										
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 31/3/2015	ADDITIONS	DELETIONS	AS ON 31/3/2016	UP TO 31/3/2015	ADDITIONS	DELETIONS	UP TO 31/3/2016	AS ON 31/3/2016	AS ON 31/3/2015
OFFICE EQUIPMENTS	44.47	0.00	44.47	0.00	37.30	7.17	44.47	0.00	0.00	7.17
COMPUTER	121.58	0.00	121.58	0.00	119.56	2.02	121.58	0.00	0.00	2.02
BUILDING	115.42	0.00	115.42	0.00	42.57	0.88	43.45	0.00	0.00	72.85
TOTAL	281.47	0.00	281.47	0.00	199.43	10.07	209.50	0.00	0.00	82.04
PREVIOUS YEAR	445.03	0.00	163.56	281.47	280.91	29.00	110.48	199.43	82.04	

Rupees in lakhs
31/03/2016 31/03/2015

NOTE-10**LONG TERM LOANS & ADVANCES****Unsecured considered good**

Security deposit with NSE	0.00	6.10
Security deposit with NSCCL	34.00	34.00
Advance payment of taxes	204.60	190.47
Other deposits	0.00	10.15
	<u>238.60</u>	<u>240.72</u>

NOTE-11**CURRENT INVESTMENTS**

Investments in Equity Instruments of others (Quoted)	47.15	0.00
	<u>47.15</u>	<u>0.00</u>
Market value of quoted investments	<u>39.80</u>	<u>0.00</u>

Disclosure:**Details of Investments (Quoted)**

Rupees in lakhs

		31/03/2016		31/03/2015
Scrip	Qty	Cost	Qty	Cost
Man Infra	100000	47.15	0	0.00
Total		<u>47.15</u>		<u>0.00</u>

Rupees in lakhs
31/03/2016 31/03/2015

NOTE-12**TRADE RECEIVABLES****Sundry debtors**

Unsecured considered doubtful outstanding
more than six months

	3273.84	3277.62
	3273.84	3277.62
	3273.84	3277.62

Rupees in lakhs
31/03/2016 31/03/2015

NOTE-13**Cash and Cash Equivalents**

Cash on hand	0.00	8.51
Balance in current accounts with scheduled banks	19.14	16.03
Balance in fixed deposit accounts with scheduled banks	160.97	149.48
	180.11	174.02
	180.11	174.02

Disclosure:

Fixed deposits mentioned above is created as per NSE guidelines in the name of NSEIL A/C- Twentyfirst Century Shares & Securities Ltd against release of Security Deposit on surrender of membership card, having maturity period of more than one year, to be matured on 06-12-2017.

Rupees in lakhs
31/03/2016 31/03/2015

NOTE-14**OTHER CURRENT ASSETS**

Margin for Derrivative segment	270.22	0.00
MTM on unexpired future contracts	8.11	0.00
	278.33	0.00
	278.33	0.00

	Rupees in lakhs	
	31/03/2016	31/03/2015
NOTE-15		
REVENUE FROM OPERATIONS:		
Income from capital market operations		
Profit/(Loss) from cash segment	352.84	0.00
Profit/(Loss) from derivative segment	(1,264.80)	0.00
	(911.96)	0.00
NOTE-16		
OTHER INCOME		
Interest on fixed deposits (Tax deducted at source Rs. 1.27 lacs, Previous year Rs. 0.05 lacs)	12.77	0.53
Miscellaneous income	0.00	2.58
Dividend received	0.99	0.00
	13.76	3.11
NOTE-17		
EMPLOYMENT COST		
Gratuity	0.00	13.74
	0.00	13.74
NOTE-18		
OTHER EXPENSES		
Audit fess	1.15	1.12
Communication expenses	10.45	23.90
Depository charges	0.00	0.01
Deposits written off	16.25	0.00
Electricity charges	0.00	0.33
NSE charges	0.00	3.43
Other expenses	10.97	2.68
Printing & stationery	0.89	0.59
Professional fees	1.24	0.98
Repairs & maintenance	0.18	2.19
Service charges	3.00	0.00
	44.13	35.23

19. In view of the loss during the year, no tax provision has been made in the accounts for the year ended 31stMarch 2016.
20. No deferred tax asset has been created on carried forward losses as per Income Tax Act, as there is no reasonable certainty of reversal of the same in one or more subsequent year.

21. EARNING PER SHARE

Particulars	31/03/2016	31/03/2015
Net profit/(Loss) After Tax (Rs. In Lacs)	(723.24)	(68.15)
Weighted average number of outstanding shares (In Lacs)	55.90	55.90
Basic/Diluted EPS (Face Value of Rs. 10 each)	(12.94)	(1.22)

22. RELATED PARTY DICLOSURES

Related party and their relationship

Related party	Relationship
Twentyfirst Century Management Services Ltd.	Holding Company
Sundar Iyer	Director
Vanaja Sundar Iyer	Relative of Director
Siddharth Sundar Iyer	Relative of Director
Shridhar Iyer	Relative of Director
SI Investments & Broking Pvt Ltd	Company in which Director's are interested
Palani Andavar Holdings Pvt Ltd	Company in which Director's are interested
Lubricants & Allied Products Mfg. Co. Pvt. Ltd	Company in which Director's are interested
AVM Sundaram	Director
Bhaskar Shetty	CFO
Krishnan Muthukumar	Director

Transactions with the related parties for trading activity

Name of the party	Nature of transaction	Rs. In lacs
Twentyfirst Century Management Services Ltd.	Loans(Cr.)	2951.16
SI Investments & Broking Pvt Ltd	For trading activity(Cr.)	270.22
Sundar Iyer	For trading activity(Cr.)	583.29
SI Investments & Broking Pvt Ltd	Brokerage paid	31.39

23. Company has not provided income tax liability of Rs. 365.62 lacs for AY 2010-11 and 14.96 lacs For AY 2012-13, which were in appeal and against that company has paid Rs. 187.64 lacs and 7.48 lacs respectively for the above assessment years.
24. Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October, 2 2006 certain disclosure are required to be made relating to Micro, Small & Medium Enterprises. There have been no reported cases of delays in payments to Micro and Small Enterprises or of interest payments due to delays in such payments.
25. In view of loss during the year under review, preference dividend of Rs. 90 lacs has not been provided in the accounts.
26. Previous year figures have been regrouped or rearranged wherever necessary to facilitate comparison.

As per our report of even date attached.

For Sheth Doshi & Associates
Chartered Accountants
Firm Registration No. 110052W

B M Doshi
Proprietor (M. No. 017370)

Place: Mumbai
Date: 17-05-2016

On behalf of Board

Sundar Iyer
Director

Krishnan Muthukumar
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Rupees in lacs

	31/03/2016	31/03/2015
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(674.36)	(74.86)
Add: Depreciation	10.07	29.00
Profit on sale of motor car	0.00	(2.52)
Profit on sale of office premises	(278.04)	
Interest received	(12.77)	25.95
	<u>(280.74)</u>	<u>(0.53)</u>
Operating profit before working capital changes	(955.10)	(48.91)
Trade and other receivables	(274.55)	201.63
Trade payables and other liabilities	270.18	(289.79)
Loans & advances	16.25	159.00
	<u>11.88</u>	<u>70.84</u>
Cash generated from operations	(943.22)	21.93
Direct Taxes paid	(45.25)	(57.72)
Net cash flow from operating activities (A)	<u>(988.47)</u>	<u>(35.79)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Bank deposits	(11.49)	(149.48)
Investments	(47.15)	0.00
Sale of office premises	350.00	0.00
Disposal of fixed assets	0.00	55.61
Interest received	12.77	0.53
	<u>304.13</u>	<u>(93.34)</u>
Net cash flow from investing activities (B)	304.13	(93.34)
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings	(678.94)	0.00
Long term borrowings	0.00	137.32
Net cash flow from financing activities (C)	<u>678.94</u>	<u>137.32</u>
Net increase/ (decrease) in cash & cash equivalents (A+B+C)	(5.40)	8.19
Cash & cash equivalents opening balance	24.54	16.35
Cash & cash equivalents closing balance	19.14	24.54

Per our report attached
For Sheth Doshi & Associates
Chartered Accountants Firm Registration No. 110052W
B M Doshi (M. No. 017370)
Proprietor

On behalf of Board
Sundar Iyer
Director
Krishnan Muthukumar
Director

Place: Mumbai
Date: 17-05-2016

