

**TWENTYFIRST CENTURY SHARES  
AND SECURITIES LIMITED**

**SEVENTY NINTH (79)  
ANNUAL REPORT 2020-2021**

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**TCSS LIMITED SEVENTYNINTH (79) ANNUAL REPORT 2020-21****CORPORATE INFORMATION****Board of Directors**

Mr.Sundar Iyer	- Director and CEO
Mr.Krishnan Muthukumar	- Non-Executive Director
Ms.Dipti Dinesh Sakpal	- Independent Director
Mr.Balakrishna K. Rai	- Independent Director (Appointed on 17 <sup>th</sup> March 2021)
Mr.Iyer Vishwanath	- Independent Director (Retired on 17 <sup>th</sup> March 2021)

**KEY MANAGEMENT PERSONNEL:**

Chief Executive Officer	- Mr. Sundar Iyer
Chief Financial Officer	- Mr. Bhaskar Shetty
Company Secretary	- Mr. A.V.M.Sundaram

**BOARD COMMITTEES:****Audit Committee**

Mr. Iyer Vishwanath	- Independent Director (Chairman of the committee) (Resigned as Chairman due to retirement as a Director)
Mr. Balakrishna K Rai	- Independent Director (Inducted w.e.f.17th March 2021) (Appointed as Chairman of the committee)
Ms. Dipti D. Sakpal	- Independent Director
Mr. Sundar Iyer	- Executive Director

**Nomination and Remuneration Committee**

Mr. Iyer Vishwanath	- Independent Director (Chairman of the committee) (Resigned as Chairman due to retirement as a Director)
Ms. Dipti D.Sakpal	- Independent Director (Appointed as Chairman of the committee w.e.f 17th March 2021)
Mr. Balakrishna K Rai	- Independent Director (Inducted w.e.f.17 <sup>th</sup> March 2021)
Mr. Krishnan Muthukumar	- Non-Executive Director

**Statutory Auditors**

M/s Shankar & Kishor Chartered Accountants  
501, 5th Floor, T-Square,  
Opp. Chandivali Petrol Pump,  
Saki Vihar Road, Powai, Mumbai – 400 072  
Phone: 022 28588822/33/44  
Mobile: +91 9820267079  
E-mail: cashankarkishor@gmail.com  
Website: www.cashankarandkishor.com

**Secretarial Auditors**

M/s Lakshmmi Subramanian & Associates, Practising Company Secretaries  
Murugesu Naicker Complex, No.81, Greams Road,  
**Chennai-600006**

**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**

**TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED**

Regd. Office: 2B, GREASE HOUSE, ZAKARIA BUNDER ROAD,  
SEWREE (WEST) MUMBAI - 400015  
TELEPHONE +91 22 24191106, FAX +91 2224115260  
CIN:U51900MH1942PLC003546

**NOTICE FOR THE ANNUAL GENERAL MEETING**

Notice is hereby given that the **79<sup>th</sup> Annual General Meeting** of the Company will be held on Thursday, 10<sup>th</sup> June 2021 at 4.00 P.M., through Zoom Video Conferencing 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 2021 along with the reports of the Board of Directors (the Board) and Auditors thereon and if deemed fit to pass the following resolution with or without modification as Ordinary Resolution:

**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended 31st March 2021, the Report of the Auditors thereon and the Board of Directors for the financial year ended 31st March 2021, placed before the members at the 79<sup>th</sup> Annual General Meeting be and hereby received and adopted.”

**Item No.2 - Re-Appointment of Mr.Krishnan Muthukumar, as Director liable to retire by rotation**

To appoint Mr. Krishnan Muthukumar, (DIN 00463579) who retires at the ensuing Annual General Meeting and being eligible, offers himself for reappointment and in this connection to consider and if deemed fit to pass the following resolution as Ordinary Resolution:

**“RESOLVED THAT** Mr. Krishnan Muthukumar, (DIN 00463579) be and is hereby reappointed as Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESS****Item No.3 - Increase in Borrowing Powers of the Company**

**To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 100 Crores**

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

**“RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), and the Articles of Association of the Company, consent of the

shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee

thereof) to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 100 Crores (Both funded and non-funded) at any one point of time”

**RESOLVED FURTHER THAT** the Board or Company Secretary or Chief Executive Officer or Chief Financial Officer, be and are hereby authorized to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

#### **Item No. 4 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 Special Resolution:**

“Resolved that pursuant to section 188 and other applicable provisions if any, of the Companies Act, 2013, and rules made there under, including any amendment, modification, variation or re-enactment thereof for the time being in force and on the basis of approval of the Audit Committee, the consent of the company be and is hereby accorded for related party transactions to be entered by the company as per chart appended below.

<b>S.No.</b>	<b>Name of the Related Party</b>	<b>Transactions defined u/s188 of the Companies Act, 2013</b>	<b>Value of Transaction</b>	<b>Period</b>
1.	M/s. SI INVESTMENTS AND BROKING PRIVATE LIMITED	BROKING SERVICES For execution of trades in BSE & NSE in Cash and Derivatives Segment as a Business Client	Brokerage and other charges upto Rs.100 lacs	1st April 2021 To 31 <sup>st</sup> March 2022

Resolved further that to give effect to the resolution the Board of Directors / Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto.

**Item No 5: Appointment of Shri Balakrishna K Rai as Independent Director for a period of five years with effect from 17<sup>th</sup> March 2021**

**“RESOLVED THAT** pursuant to Sections 149, 150 and 152 read with Schedule IV and Section 161(1) and other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Regulation 25 and other applicable regulations of SEBI (LODR) Regulations 2015, Shri Balakrishna K. Rai (DIN:08793233) who has submitted a declaration of independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment and as recommended by the Nomination & Remuneration Committee, be and is hereby appointed as an Independent Director of the Company to hold office for a term of Five (5) years from 17<sup>th</sup> March 2021 and he shall not be liable to retire by rotation”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter, etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.”

**Item No.6 - Appointment of Secretarial Auditors**

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

**RESOLVED THAT** pursuant to the provisions of section 204 and all other applicable provisions, if any, of the Companies Act, 2013, M/s Lakshmmi Subramanian & Associates, Practising Company Secretaries, having office at “Murugesu Naicker Complex, No.81, Greams Road, Chennai-600006 be and is hereby appointed as Secretarial Auditors of the company in order to furnish Secretarial Audit Report for a period of three years from the financial year ending 31.03.2022 till the financial year ending 31st March 2024 as required under the provisions of said section on a remuneration as may be determined by the audit committee in consultation with the auditors and that such remuneration be paid as may be agreed upon between the Secretarial Auditors and the Board of Directors of the company.”

Place: Mumbai

Date: 17<sup>th</sup> May 2021

By Order of the Board

Sundar Iyer  
Director & CEO

**NOTES:**

- a) The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 setting out material facts in respect of the special business under Item No.3, 4 , 5 & 6 of the Notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (LODR) REGULATIONS, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment / re-appointment as Director under Item No.2 and 5 of the Notice, is given below.
- b) In view of the continuing Covid-19 pandemic situation, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- c) Pursuant to the Provisions of the Act, a Member entitled to attend and vote at the AGM, is entitled to appoint a proxy to attend and vote instead of herself/himself and the proxy need not be a member of the company. Since the AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
- d) Corporate members are required to send scanned copies of their respective Board or governing body Resolutions/ Authorisations etc., authorizing their representatives to attend the AGM through VC/OAVM on their behalf and to vote at the meeting.
- e) M/s. Shankar & Kishor, Chartered Accountants, who was appointed as Statutory Auditors of the Company at the 77th Annual General Meeting held on 12th July 2019 to hold the office for the period of 5 years till the conclusion of 82nd Annual General Meeting of the Company. Pursuant to the notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending Section 139 of the act and Rules framed thereunder, the mandatory requirement for ratification of appointment of auditors by the members at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of appointment of auditors at this AGM.



**ANNEXURE TO THE NOTICE****AS PER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ADDITIONAL INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED**

<b>Name of the director</b>	<b>Shri Balakrishna K Rai</b>
DIN	08793233
Date of Birth	9 <sup>th</sup> May 1959 (62 years)
Qualification	B.Com, FCA
Experience	35 years of experience as Practicing Chartered Accountant
Terms and Conditions of Appointment/Re-appointment	Appointed as Independent Director with effect from 17 <sup>th</sup> March 2021 for a period of five years
Date of First Appointment	17 <sup>th</sup> March 2021
No. of. Shares held	NIL
Relationship with any other Directors and KMP	Not related to any of the Directors
No. of Board Meetings attended	Not applicable
Directorship in other companies & LLPs	Independent Director in Twentyfirst Century Management Services Limited
Chairman/Member of the committees of company	Proposed Chairman of the Audit Committee of TCSS Limited
Chairman/Member of the Committee of other Public Limited Companies in which he / she is a director	Chairman of the Audit Committee of Twentyfirst Century Management Services Limited  Member of the Stakeholders' Relationship Committee of Twentyfirst Century Management Services Limited  Member of the Nomination and Remuneration Committee of Twentyfirst Century Management Services Limited  Member of the Corporate Social Responsibility Committee of twentyfirst Century Management Services Limited
Last approved Remuneration drawn	Not Applicable

**AS PER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ADDITIONAL INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED**

Particulars of Director	Mr. Krishnan Muthukumar
DIN	00463579
Date of Birth	15 <sup>th</sup> October 1975
Date of Appointment	12 <sup>th</sup> February 2014
Qualifications	M.B.A
Expertise in specific functional areas	Industrialist with expertise in construction and real estate business
Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	Twentyfirst Century Management Services Limited Tridhaatu Renovators Private Limited Tridhaatu Abodes Private Limited Tridhaatu Realty And Infra Private Limited Tridhaatu Constructions Private Limited Tridhaatu Homes Developers India Private Limited Tridhaatu Mumbai Structures Private Limited Tridhaatu Morya Developers Private Limited Tridhaatu Dwelling Pioneers Private Limited Indian Gymkhana (Matunga) Limited Saday Constructions Private Limited
Chairman/Member of the committees of company	Member of the Nomination and Remuneration Committee of TCSS Limited
Chairmanships / Memberships Of Committees of other Public Companies i. Audit Committee ii. Stakeholders Relationship Committee iii. Nomination and Remuneration Committee	Not Applicable
Number of shares held in the Company	One Share as a Beneficial Holder for Holding Company – Twentyfirst Century Management Services Limited

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No.3: Increase in Borrowing Powers of the Company**

To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 100 Crores.

The existing borrowing limit for the Company was approved by the members in their General Meeting held on 18<sup>th</sup> April 2017, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013.

The current borrowing limit as approved by the shareholders is INR 50 Crores. Hence, Considering the business plans and the growing fund requirements of the Company, it is proposed to increase the existing borrowing limit of the Company from INR 50 crores to INR 100 crores. The approval of the members is sought pursuant to Section 180(1) (c) of the Companies Act, 2013 and rules made thereunder.

The Board recommends the special resolution set out under Item No. 3 of the Notice for the approval by the members..

None of the Directors or any of the Key Managerial Personnel of the Company or their relatives are, directly or indirectly, concerned or interested in the Resolution.

**Item No. 4: Approval of Related Party Transactions**

As per section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (meeting of Board and its power) rules 2014, any amendment thereof, except with prior approval of the Company by Special Resolution, a Company shall not enter into transactions with a related party, in a year exceeding 10% of the Annual turnover as per last audited balance sheet of the Company.

All related party transactions shall require approval of members by way of Special Resolution and it also explains that a transaction considered to be material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual turnover of the company as per the last audited financial statement of the company.

Accordingly in order to comply with above said SEBI (LODR) Regulations 2015 and Section 188 of the Companies Act 2013, approval of shareholders by way of Special Resolution is being sought. The Board at its meeting held on 17<sup>th</sup> May 2021, in order to comply with SEBI (LODR) Regulations 2015 and also Section 188 of the Companies Act 2013, has approved the contract with SI INVESTMENT AND BROKING PRIVATE LIMITED, MUMBAI for execution of trades in BSE & NSE in Cash and Derivatives Segment as a Business Client each year, for a period from 1st April 2021 to 31st March 2022 with Broking and other charges not exceeding Rs.100 lacs during the financial year 2021-2022 subject to the approval of the Members of the Company and subject to the conditions as prescribed by the Board. Accordingly SEBI (LODR) Regulations 2015 and also Section 188 of the Companies Act, 2013 requires Special Resolution and therefore your board recommends the resolution for your approval. All the prescribed disclosures as required under the Companies Act, 2013 and Companies (meeting of Board and its power) Rules, 2014 are given below:

**Name of the Related party:** SI INVESTMENT AND BROKING PRIVATE LIMITED

**Name of the Director or Key Managerial Personnel who is related if any:**

Mr. Sundar Iyer, Director (Chairman) & CEO

**Nature of Relationship:** Mr. Sundar Iyer, Director (Chairman) & CEO of the Company is a Shareholder of SI INVESTMENT AND BROKING PRIVATE LIMITED and his relatives are shareholders and Directors of SI INVESTMENT AND BROKING PRIVATE LIMITED

**Nature, Material Terms, Monetary value and other Particulars:**

Broking and other charges not exceeding Rs.100 lacs during the financial year 2021- 2022

Except Mr. Sundar Iyer and Director Mr. Krishnan Muthukumar of the Company none of other Directors or the Key Managerial Personnel or their relatives is interested or concerned in the Resolution set out in item no. 4.

**Item No 5: Appointment of Shri Balakrishna K.Rai as Independent Director for a period of five years with effect from 17<sup>th</sup> March 2021**

The Present proposal is to seek the Shareholders' approval for the appointment of Shri Balakrishna K.Rai (DIN: 08793233) as an Independent Director for a period of Five (5) years with effect from 17<sup>th</sup> March 2021 in terms of the applicable provisions of the Companies Act, 2013. The appointment has been recommended by the Nomination and Remuneration Committee in its meeting held on 16<sup>th</sup> March 2021 and subsequently approved by the Board of Directors in its meeting held on the same date.

Shri Balakrishna K.Rai is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act 2013 and has consented to act as a Director of the Company.

The company has also received a declaration from him that he meets the criteria of independence as prescribed under Section 149 (6) of the Act In the opinion of the Board, he fulfills the conditions specified in the Act and the rules made there-under for appointment as an Independent Director and is independent of the Management.

A copy of the draft letter of appointment which will be issued to Shri Balakrishna K.Rai setting out the terms and conditions of his appointment as an Independent Director is available for inspection by Members at the Registered Office of the company on any working day (Monday to Friday) between 10.00 AM and 5.00 PM up to 10<sup>th</sup> June 2021.

Additional information in respect of Shri Balakrishna K.Rai as per the SEBI Regulations and Secretarial Standards are given in the Annexure to the Notice.

The Board recommends the Resolution to be passed as an Ordinary Resolution.

Except Shri Balakrishna K.Rai, None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at Item No. 5.

**Item No.6: Appointment of Secretarial Auditors**

In terms of Section 204 of the Companies Act, 2013 all the listed companies are mandated to appoint a Company Secretary in Whole Time Practice for the purpose of obtaining Secretarial Audit Report and accordingly it is recommended that the firm M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai is appointed as Secretarial Auditors for a period of three years from the financial year ending 31.03.2022 till the financial year ending 31.03.2024.

Hence the resolution for appointing M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai is being placed before the Shareholders for approval.

None of the Promoters, Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution set out at Item No.6.

## DIRECTORS' REPORT

### To the Members,

Your Directors have pleasure in presenting the 79th Annual Report of your company together with the Auditor's Report for the year ended 31st March 2021.

### FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2021. Rupees in lacs

Particulars	31/3/2021	31/3/2020
Profit/(Loss) before depreciation & tax	892.44	(2012.83)
Depreciation	3.18	0.84
Profit/(Loss) before tax	889.26	(2013.67)
Provision for tax / Short Provision	3.74	8.89
Deferred Tax	(0.60)	(0.06)
Profit/(Loss) after tax	886.12	(2022.50)

### BUSINESS & PERFORMANCE

During the current financial year the company has incurred Profit from operations of Rs.889.26 lacs as against loss of Rs. 2022.50 lacs during the last financial year.

### STATE OF COMPANY'S AFFAIRS

The company's performance during the year was good throughout the year. However the recurrence of Covid 19 in the month of March 2021 the stock market consolidated and was stable in the month of April 2021. The company is concentrating in consolidation and the management is confident that the profitability from trading and investment operations during the current year will improve.

### DIVIDEND

Your company has not declared any dividend due to inadequacy of profits for the Financial Year ended 31<sup>st</sup> March 2021. Your company has not declared any dividend during the last financial year 2019-20 also.

Your company has also not provided for any dividend on 12% Cumulative Redeemable Non-convertible Preference Shares during this year.

### RESERVES

During the financial year 2020-21, the Board did not propose 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.

### 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 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March 2021 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 control was in place and that the financial controls were adequate and were operating effectively.
- f. those systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **INDEPENDENT DIRECTORS' DECLARATION**

Mr. Balakrishna K Rai and Ms. Dipti Dinesh Sakpal, who are Independent Directors as on 31<sup>st</sup> March 2021, 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, Director & 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, Director 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 2020-21.

**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.

**AOC 2**

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain 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/ trans actions	(c) Duration of the contracts / arrangements/ trans actions	(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 NSE & BSE	Limit of Rs.30 lacs approved by the BM held on 26 <sup>th</sup> June 2020 Approved by the shareholders at the AGM held on 28 <sup>th</sup> Sep 2020. This limit was enhanced to Rs. 50 Lacs and approved by the Board in the Meeting held on 3.02.2021	Brokerage as per rates applicable to clients. Margin money as required for derivatives segment will be paid. Brokerage paid during the year 2020-21 is Rs.47.81 lacs

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no Dividend declared and paid in the past years, 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 and on the date of this report

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

The Company had taken steps to conserve energy in its office/Factory use, consequent to which energy consumption has been minimized and consequently the cost of production was also reduced to some extent. No additional Proposals/Investments were made to conserve energy. The company is in the process of utilizing alternate sources of energy for its production activity. Further no capital investment has been made during the year on energy conservation equipment.

**TECHNOLOGY ABSORPTION**

The company has not adopted / intends to adopt any technology for its business and hence no reporting is required to be furnished under this heading.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

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 Director & CEO of the company. The CEO with his rich and varied experience analyses the risk involved in such investments and takes appropriate decisions. The company has a risk management policy in place.

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

During the year, there were no such instances of significant and material orders passed by the regulators, courts or tribunals.

**INTERNAL CONTROL AND ITS ADEQUACY**

The Company has an adequate Internal Control system, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and or reportable material weaknesses in the design or operation were observed.



**MAINTENANCE OF COST RECORDS**

Maintenance of Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has always believed in providing a safe and harassment free work place for every individual working in the Company through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Further the company has zero tolerance for sexual harassment at workplace.

The Company has constituted an Internal Complaint Committee with three members, as per the provisions of the sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013 and complied with the provisions of the same.

Internal Complaint Committee Members

1. Presiding Officer-Ms. Jaylaxmi Mukta (Employee of the Company)
2. Member-Ms. Dipti D.Sakpal (Independent Woman Director of the Company)
3. Member- Mr.Bhaskar Shetty (CFO of the Company)

The Committee met once in the financial year 2020-21, on 16<sup>th</sup> March 2021 to assess the position in the company.

The Company has displayed in the Notice Board of the company the particulars regarding

1. Instructions to the employees
2. Procedure to be followed for lodging complaint and in redressal.
3. Complaint mechanism

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal ) Act, 2013.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

**CONSOLIDATED FINANCIAL STATEMENT**

As the company doesn't have any Subsidiaries / Associate Companies the question of submitting Consolidated Financial Statements does not arise.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Krishnan Muthukumar retires at this Annual General Meeting and being eligible offer himself for re- appointment.

Mr B. K. Rai was appointed as Additional Director - Independent Director w.e.f 17<sup>th</sup> March, 2021 for a period of 5 years in place of Mr Iyer Vishwanath - Independent Director; who retired on 17<sup>th</sup> March 2021.

**KEY MANAGEMENT PERSONNEL**

1. Mr.Sundar Iyer - Chief Executive Officer
2. Mr.Bhaskar Shetty - Chief Financial Officer
3. Mr.A.V.M.Sundaram - Company Secretary

## PARTICULARS REGARDING BOARD OF DIRECTORS AND COMMITTEES AND THE MEETINGS HELD DURING THE YEAR 2020-21

### 1. Board of Directors

#### Composition of Board of Directors and category of Directors

The Board of Directors of the company comprises of (Four Directors) One (1) Executive Director, One (1) 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 2020-2021, Six (6) meetings were held on the following dates: 26<sup>th</sup> June, 2020, 31<sup>st</sup> August 2020, 9<sup>th</sup> September 2020, 4<sup>th</sup> November 2020, 3<sup>rd</sup> February 2021 and 16<sup>th</sup> March 2021

The Board comprises of two independent directors out of present strength of four directors. Composition, attendance of each director at the Board Meetings as at the financial year ended 31.03.2021 and at the last AGM and the number of other directorship, committee memberships are set out below:

Name	Category	No. of Board Meetings attended	Attendance at the last AGM	Directorship in other Companies including this Company	Other Companies/ Committee Chairmanships in Audiit Committee/ stakeholder Committee	Other Companies Committee Memberships in Audiit Committee/ stakeholder Committee
Mr. Sundar Iyer	Executive Director & CEO	6	Yes	5	Nil	1
Mr. Krishnan Muthukumar	Non Executive Non Independent Director	6	Yes	12	Nil	1
Mr. Iyer Vishwanath	Independent Non -Executive Director (Retired on 17 <sup>th</sup> March 2021)	6	Yes	1	Nil	Nil
Ms. Dipti D. Sakpal	Independent Non-Executive Woman Director	6	Yes	2	Nil	2
Mr. Balakrishna K Rai	Independent Non -Executive Director (Appointed w.e.f.17 <sup>th</sup> March 2021)	1	No	2	1	2

## 1. Board Committees:

### A. Audit Committee 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 - Independent Director
Ms. Dipti D. Sakpal	Member – Independent Director
Mr. Sundar Iyer	Member – Executive Director
Mr. B.K.Rai	Member – Independent Director

#### Chairman is a Non-Executive Independent Director.

During the financial year 2020-2021, Shri Iyer Vishwanath resigned as Chairman of the Audit Committee since he retired as Independent Director W.e.f.17th March 2021. Shri B.K.Rai was inducted in the Audit Committee as Chairman of the Committee w.e.f. 17<sup>th</sup> March 2021

#### Meeting and Attendance of the Committee

During the financial year 2020-2021, Four (4) Committee Meetings were held on the following dates:

26<sup>th</sup> June, 2020, 9<sup>th</sup> September 2020, 4<sup>th</sup> November 2020 and 3<sup>rd</sup> February 2021

#### The attendance of directors at the Audit Committee meetings held during the year 2020-2021 is given below:

Name	Category of membership	Meetings held	Meetings attended
Mr. Iyer Vishwanath	Chairman	4	4
Ms. Dipti D. Sakpal	Member	4	4
Mr. Sundar Iyer	Member	4	4

### B. Nomination and Remuneration Committee Composition

The company derived immense benefit from the deliberation of Nomination and Remuneration Committee comprising of the following directors of the company:

Name	Category of membership
Mr. Iyer Vishwanath	Chairman – Independent Director
Ms. Dipti D.Sakpal	Member – Independent Director
Mr. Krishnan Muthukumar	Member – Non-Executive Director

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

During the financial year 2020-2021, Shri Iyer Vishwanath resigned as Chairman of the Nomination and Remuneration Committee since he retired as Independent Director W.e.f.17th March 2021. Shri B.K.Rai was inducted in the Nomination and Remuneration Committee as Chairman of the Committee w.e.f. 17<sup>th</sup> March 2021

**Meeting and Attendance of the Committee**

During the financial year 2020-21 Two Committee Meetings were held on the following dates:

26<sup>th</sup> June, 2020 and 16<sup>th</sup> March, 2021

The terms of reference of the Nomination and Remuneration Committee are as per the Charter as mentioned above.

Name	Category of membership	Meetings held	Meetings attended
Mr. Iyer Vishwanath	Chairman	2	2
Ms. Dipti D.Sakpal	Member	2	2
Mr. Krishnan Muthukumar	Member	2	2

**The last Annual General Meeting was held on 28<sup>th</sup> September 2020.**

**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 Networth greater than Rs.500 Crores in the preceding 3 Financial Years and therefore the provisions relating to CSR in accordance with the provisions of section135 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. Shankar & Kishor, Chartered Accountants (Firm Registration No. 112451W), auditors of the company have been appointed as the Statutory Auditors of the company, for a period of 5 years, commencing from the conclusion of 77<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 82nd Annual General Meeting (AGM), in the 77<sup>th</sup> Annual General Meeting of the company held on 12<sup>th</sup> July 2019.

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

As described in notes 3(g) to the financial statements, Company has not written off outstanding trade receivable of Rs1525.51 Lacs as the said amount is disputed & under litigation. In absence of sufficient and appropriate evidence, we are unable to comment on recovery of the said debts. If these debts are written off, the loss for the year would have been Rs. 660.65 lacs (as against the reported Profit figure of Rs. 864.86 lacs) and accumulated loss would have been Rs. 4,298 lacs (as against reported figure of accumulated loss of Rs. 2,772.49 Lacs) and the balance of trade receivables have been Rs. Nil (as against the reported figure of Rs. 1525.51 lacs).

## REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## SECRETARIAL AUDIT AND AUDITOR'S REPORT

M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai was appointed as Secretarial Auditors for carrying out Secretarial Audit of the Company for the financial year 2020-21 and their report is annexed with this report as **ANNEXURE II**.

**Observations made by the Secretarial Auditors of the company in their report are given below:**

In our opinion and as identified and informed by Management, the following laws are specifically applicable to the Company as the company is engaged in the activity of secondary market trading in securities and derivatives.

1. Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
2. Reserve Bank of India Act, 1934
3. Securities Contract Regulation Act, 1956 and Rules Framed thereunder.

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except: -

- a. The Company is engaged with investment and trading activity with their own surplus funds. However, without any registration / license required under RBI ( NBFC Rules and Regulations)
- b. The Company yet to improve in certain areas of Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) .

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. SEBI Adjudication order was passed on 26th. May 2020 vide order No. Order/MC/HP/2020-21/3-5 in the matter of trading activities of certain entities in scrip of Zylog Systems Ltd levied a penalty of Rs. 2.00 lakhs. The Company has paid the penalty of Rs.2.00 lakhs on 8th July 2020.
2. Shri Iyer Vishwanath ceased to be Independent Director of the Company w.e.f 17th. March 2021
3. Shri B.K Rai appointed as Additional - Non Executive Independent Director for a term of Five Years w.e.f 17th March, 2021
4. The 12% Cumulative Preference Shares (CRPS) was due for payment on 16-09-2018. The maturity of CRPS extended for three years upto 16-09-2021 with the approval CRPS shareholders.

**Our Reply:** We have nothing to say in the matter excepting that we are arranging to approach RBI for obtaining NBFC Registration required under (RBI NBFC Rules and Regulations)

### **SHARE CAPITAL**

Paid up share capital as on 31<sup>st</sup> March 2021 was Rs.5,58,95,000. 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 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is not applicable to the company as none of the directors / KMPs are not drawing any remuneration from the Company.

The information required pursuant to Section 197(12) read with Rule, 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of remuneration drawn by top ten employees is not applicable since the company does not have any employees.

### **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**  
**DIRECTOR & CEO**

Place: Mumbai

Date: 17<sup>th</sup> May 2021

**ANNEXURE- I****FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2021**

**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	10 <sup>TH</sup> 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	2B, GREASE HOUSE, ZAKARIA BUNDER ROAD, SEWREE WEST, MUMBAI 400 015
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 Holding 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-600018	CIN: L74210TN1986PLC012791	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-2020]				No. of Shares held at the end of the year [As on 31- March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	6	6	0.00070734	0	6	6	0.00070734	0.00
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	0	5589494	5589494	99.99989266	0	5589494	5589494	99.99989266	0.00
e) Banks / FI									
f) Any other									
<b>Total shareholding of Promoter (A)</b>	<b>0</b>	<b>5589500</b>	<b>5589500</b>	<b>100.00</b>	<b>0</b>	<b>5589500</b>	<b>5589500</b>	<b>100.00</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI		0	0	0	0	0	0	0	0
c) Central Govt		0	0	0	0	0	0	0	0
d) State Govt(s)		0	0	0	0	0	0	0	0
e) Venture Capital Funds		0	0	0	0	0	0	0	0
f) Insurance Companies		0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds		0	0	0	0	0	0	0	0
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
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. 1lakh	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
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
NRI's	0	0	0	0	0	0	0	0	0
Foreign Company	0	0	0	0	0	0	0	0	0
HUF	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Market Maker	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>5589500</b>	<b>5589500</b>	<b>100.00</b>	<b>0</b>	<b>5589500</b>	<b>5589500</b>	<b>100.00</b>	<b>0</b>



**B) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year As at 31 <sup>st</sup> March 2020			Shareholding at the end of the year As at 31 <sup>st</sup> March 2021			% 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	TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED	5589500	100%	NIL	5589500	100%	NIL	0.00
	<b>TOTAL</b>	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
1	At the beginning of the year	5589500	100.00		
2	During the year	0	0	0	0
3	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 and Chief Executive Officer)	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	1	0		
	During the year	0	0		
	At the end of the year			1	0

SN	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	1	0		
	During the year	0	0		
	At the end of the year			1	0

SN 3	Mr. Iyer Vishwanath (Independent Director) (Ceased w.e.f 17 <sup>th</sup> March, 2021)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares ofthe 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 4	Ms. Dipti Dinesh Sakpal (Independent Woman 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 5	Mr. B.K. Rai (Independent Director) (Appointed w.e.f 17 <sup>th</sup> March, 2021)	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 6	Mr. A.V.M. Sundaram(Company Secretary)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares ofthe company	No. of shares	% of total shares ofthe company
	At the beginning of the year	0	0		
	During the year	0	0		
	At the end of the year			0	0

SN 7	Mr. Bhaskar Shetty (Chief Financial Officer)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares ofthe company	No. of shares	% of total shares ofthe company
	At the beginning of the year	0	0		
	During the year	0	0		
	At the end of the year			0	0

**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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	3903.55	Nil	3903.55
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	3903.55	Nil	3903.55
<b>Change in Indebtedness during the financial year</b>				
* Addition	Nil	3198.46	Nil	3198.46
* Reduction	Nil	(4100.76)	Nil	(4100.76)
<b>Net Change</b>	Nil	(902.30)	Nil	(902.30)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	3001.25	Nil	3001.25
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	3001.25	Nil	3001.25

**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 section 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
	<b>Total (A)</b>	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act					

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors					Total Amt
		Sundar Iyer	Krishnan Muthukumar	Iyer Vishwanath	Dipti D. Sakpal	B.K.Rai	
1	Executive Director						
	Fee for attending board/ committee meetings	42000	Nil	Nil	Nil	Nil	42000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	42000	Nil	Nil	Nil	Nil	42000
2	Independent Directors						
	Fee for attending board/ committee meetings	Nil	Nil	48000	48000	5000	101000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	48000	48000	5000	101000
3	Other Non-Executive Directors						
	Fee for attending board committee meetings	Nil	36000	Nil	Nil	Nil	36000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (3)	Nil	36000	Nil	Nil	Nil	36000
Total (B)=(1+2+3)		42000	36000	48000	48000	5000	179000
Total Managerial Remuneration		Nil	39000	48000	48000	5000	179000
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	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify				
	<b>Total</b>	Nil	Nil	Nil	Nil

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

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

**Lakshmmi Subramanian & Associates**

LAKSHMMI SUBRAMANIAN, B.Com., FCS

P.S. SRINIVASAN, B.A., LL.B., A.C.S

S. SWETHA, B.Com., ACS

Practising Company Secretaries

**Secretarial Audit Report for the financial year ended 31.03.2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Twentyfirst Century Shares and Securities Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Twentyfirst Century Shares and Securities Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 (Regulation 24A of SEBI(LODR)).

- (a) all the documents and records made available to us and explanation provided by Twentyfirst Century Shares and Securities Limited ("the Company"),
- (b) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Twentyfirst Century Shares and Securities Limited ("the Company") for the financial year ended on 31st March, 2021 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
  - i. The Companies Act, 2013 (the Act) and the Rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;



- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent as subsidiary of listed holding company;

We hereby report that

- a. The Company has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except as specified below.
- b. The Company has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. There were no actions taken against the Company/its promoters/directors either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

We have also examined the compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India as amended from time to time.

In our opinion and as identified and informed by Management, the following laws are specifically applicable to the Company as the company is engaged in the activity of secondary market trading in securities and derivatives.

1. Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
2. Reserve Bank of India Act, 1934
3. Securities Contract Regulation Act, 1956 and Rules Framed thereunder.

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except: -

- a. The Company is engaged with investment and trading activity with their own surplus funds. However , without any registration / license required under RBI ( NBFC Rules and Regulations)
- b. The Company yet to improve in certain areas of Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) .



We further report that there were no actions/ events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time;
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended from time to time;
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time;
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time;
6. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of audit, in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other applicable general laws including Human Resources and Labour Laws. .

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

We further report that

The company is well constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Directors.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.





We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. SEBI Adjudication order was passed on 26<sup>th</sup> May 2020 vide order No. Order/MC/HP/2020-21/3-5 in the matter of trading activities of certain entities in scrip of Zylog Systems Ltd levied a penalty of Rs. 2.00 lakhs. The Company has paid the penalty of Rs.2.00 lakhs on 8<sup>th</sup> July 2020.
2. Shri Iyer Vishwanath ceased to be Independent Director of the Company w.e.f 17<sup>th</sup> March 2021
3. Shri B.K Rai appointed as Additional - Non Executive Independent Director for a term of Five Years w.e.f 17<sup>th</sup> March, 2021
4. The 12% Cumulative Preference Shares (CRPS) was due for payment on 16-09-2018. The maturity of CRPS extended for three years upto 16-09-2021 with the approval CRPS shareholders.

Date: 22-05-2021

Place: Chennai

For Lakshmmi Subramanian & Associates

  
Lakshmi Subramanian  
Senior Partner  
FCS No. 3534  
CP No. 1087

UDIN - F003534C000358097

## ANNEXURE - A

To,  
The Members  
Twentyfirst Century Shares and Securities Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 22-05-2021

Place: Chennai

For Lakshmmi Subramanian & Associates

  
Lakshmmi Subramanian  
Senior Partner  
FCS No. 3534  
CP No. 1087

UDIN - F003534C000358097

## INDEPENDENT AUDITOR’S REPORT

### TO THE MEMBERS OF TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying financial statements of **TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss (including other Comprehensive Income), the cash flow statement and the statement of changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SA”)s specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter
1.	Evaluation of uncertain tax Positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. (Refer note 2(f) to the standalone financial statements.

**Auditor's Response:**

We have obtained the details of tax assessments & demands for all the cases disputed from the Management. We involved our internal expertise to challenge the Management's underlying assumptions over the possible outcome of the disputes. We have also considered other rulings in evaluating the Management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 31<sup>st</sup>March, 2021 to evaluate whether any change was required on these uncertainties.

**Emphasis of Matter**

1. We draw your attention to the financial results, which describes the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realizable values of other assets, Based on information available as of this date, Management believes that no further adjustments are required to the financial results, However, in view of the highly uncertain economic environment impacting the industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of these financial statements.
2. The Company's net worth is negative during the year. We were informed that the Company is in the process of improving the performance of the Company.

The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

**Qualified opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2021, and its Profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Qualified opinion**

As described in notes 3(g) to the financial statements, Company has not written off outstanding trade receivable of Rs1525.51 Lacs as the said amount is disputed & under litigation. In absence of sufficient and appropriate evidence, we are unable to comment on recovery of the said debts. If these debts are written off, the loss for the year would have been Rs. 660.65 lacs (as against the reported Profit figure of Rs. 864.86 lacs) and accumulated loss would have been Rs. 4,298 lacs (as against reported figure of accumulated loss of Rs. 2,772.49 Lacs) and the balance of trade receivables have been Rs. Nil (as against the reported figure of Rs. 1525.51 lacs).

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report

including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our

opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. 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.

2. As required by Section 143(3) of the Act, based on our audit we report that :
- a. We have sought and, except for the possible effect of the matter described in paragraph of the paragraph of the basis for qualified opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, except for the effect of the matters described in the basis for qualified opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, except for the effect of the matters described in the basis for qualified opinion paragraph above, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

**For Shankar &Kishor**  
**Chartered Accountants**  
**Firm Registration No. 112451W**

**Shankar Shetty**  
**Partner**  
**Membership No. 038139**  
**UDIN :**

**Place: Mumbai**  
**Date: 17.05.2021**

**“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Twentyfirst Century Share and Securities Limited of even date)**

1. In respect of the Company’s fixed assets :
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. The company has no immovable property. In respect of immovable properties of land and building that have been taken on lease, the lease agreements are in the name of the Company.
2. The company is primarily engaged in trading activities in securities market. Accordingly, it does not hold any physical inventories. Thus paragraph 4(ii) of the Order is not applicable to the company.
3. According to the information and explanations given to us, the Company has not granted any loan, Secured and unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013 and therefore paragraph 3(iii) of the order is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
7. According to the information and explanations given to us, in respect of statutory dues :
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, and other material statutory dues applicable to it with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Income Tax, and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - c. Details of dues of Income Tax which have not been deposited as at March 31, 2021 on account of dispute are given below :

<b>Name of Statute</b>	<b>Nature of dispute</b>	<b>Amount (Rs. in lacs)</b>	<b>Period for which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income tax	2.45	A.Y 2016-17	CIT (Appeals)-9 Mumbai



8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Thus Paragraph 3(XI) of the order is not applicable to the company.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Shankar & Kishor**  
**Chartered Accountants**  
**Firm Registration No. 112451W**

**Shankar Shetty**  
**Partner**  
**Membership No. 038139**  
**UDIN :**

**Place: Mumbai**  
**Date: 17.05.2021**

**“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Twentyfirst Century Shares and Securities Limited of even date)**

**Report on the Internal Financial Controls Over Financial Reporting 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 **TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED** (the “Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial 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 ICAI.

**For Shankar &Kishor**  
**Chartered Accountants**  
**Firm Registration No. 112451W**

**Shankar Shetty**  
**Partner**  
**Membership No. 038139**  
**UDIN :**

**Place: Mumbai**  
**Date:17.05.2021**

**BALANCE SHEET AS ON 31ST MARCH 2021**

PARTICULARS	NOTES	Rupees in lakhs	
		31-Mar-21	31-Mar-20
<b>(1) ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	9.11	12.29
(b) Capital work-in-progress			
(c) Investment Property			
(d) Goodwill			
(e) Other Intangible assets			
(f) Intangible assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments			
(ii) Trade receivables			
(iii) Loans	2	0.00	25.00
(iv) Others (to be specified)			
(i) Deferred tax assets (net)		0.66	0.06
(j) Other non-current assets			
<b>(2) Current Assets</b>			
(a) Inventories			
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	3	1525.51	1525.51
(iii) Cash and cash equivalents	4	12.44	22.00
(iv) Bank balances other than (iii) above			
(v) Loans			
(vi) Others (to be specified)			
(c) Current Tax Assets (Net)			
(d) Other current assets	5	0.57	1.15
<b>TOTAL</b>		<b>1,548.29</b>	<b>1,586.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	6	558.95	558.95
(b) Other Equity	7	(2,767.29)	(3,632.15)
<b>Liabilities</b>			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade payables			
(iii) Other financial liabilities	8	750.00	750.00
(b) Provisions			
(c) Deferred tax liabilities (Net)			
(d) Other non-current liabilities			
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	3001.25	3903.55
(ii) Trade payables			
(iii) Other financial liabilities			
(b) Other current liabilities	10	5.38	5.66
(c) Provisions	11	0.00	0.00
(d) Current Tax Liabilities (Net)			
<b>TOTAL</b>		<b>1,548.29</b>	<b>1,586.01</b>

**For Shankar & Kishor**

Chartered Accountants  
Firm Registration No. 112451W

**Shankar B Shetty**

Partner  
M. No. 038139  
Place: Mumbai  
Date: 17.05.2021

**For and on behalf of the Board**

**Sundar Iyer**  
Director  
DIN: 00481975

**AVM Sundaram**  
Company Secretary

**Krishnan Muthukumar**  
Director  
DIN: 00463579

**Bhaskar Shetty**  
CFO

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTES	Rupees in lacs	
		31-Mar-21	31-Mar-20
I Revenue From Operations	11	911.68	(2,100.08)
II Other Income	12	0.02	105.35
<b>III Total Income (I+II)</b>		<b>911.70</b>	<b>(1,994.73)</b>
<b>IV EXPENSES</b>			
Employee benefits expense			
Finance costs			
Depreciation and amortization expense		3.18	0.84
Other expenses	13	44.26	18.1
<b>Total expenses</b>		<b>47.44</b>	<b>18.94</b>
<b>V Profit/(loss) before exceptional items and tax (I- IV)</b>		<b>864.26</b>	<b>(2,013.67)</b>
<b>VI Exceptional Items</b>			
<b>VII Profit/(loss) before tax</b>		<b>864.26</b>	<b>(2,013.67)</b>
<b>VIII Tax expense:</b>			
(1) Current tax		0.00	0.00
(2) Short Provision for earlier years		0.00	8.89
(3) Deferred tax		(0.60)	(0.06)
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>864.86</b>	<b>(2,022.50)</b>
X Profit/(loss) from discontinued operations			
XI Tax expense of discontinued operations			
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)			
XIII Profit/(loss) for the period (IX+XII)		864.86	(2,022.50)
XIV Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(B) (i) Items that will be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>XV Total Comprehensive Income for the period</b>		<b>864.86</b>	<b>(2,022.50)</b>
XVI Earnings per equity share (for continuing operation):			
Basic & Diluted		15.47	(36.18)
XVII Earnings per equity share (for discontinued operation):			
Basic & Diluted			
XVIII Earnings per equity share(for discontinued & continuing operations)			
Basic & Diluted		15.47	(36.18)

**For Shankar & Kishor**  
Chartered Accountants  
Firm Registration No. 112451W

**Shankar B Shetty**  
Partner  
M. No. 038139  
Place: Mumbai  
Date: 17.05.2021

**For and on behalf of the Board**

**Sundar Iyer**  
Director  
DIN: 00481975

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Company Secretary

**Krishnan Muthukumar**  
Director  
DIN: 00463579

**Bhaskar Shetty**  
CFO

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2021**

	Rupees in lacs			
	3/31/2021		3/31/2020	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax		864.26		(2013.67)
Add: Depreciation	3.18		0.84	
Dividend	0.00	3.18	0.00	0.84
Operating profit before working capital changes		867.44		(2012.83)
Trade and other receivables	0.58		(0.25)	
Trade payables and other liabilities	(0.28)	0.30	0.00	(0.25)
<b>Cash generated from operations</b>		867.74		(2013.08)
Direct taxes paid		0.00		387.02
<b>Net cash flow from operating activities (A)</b>		<b>867.74</b>		<b>(1626.06)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Furniture		0.00		(13.13)
Long Term Loans & Advances		25.00		0.00
<b>Net cash flow from investing activities (B)</b>		<b>25.00</b>		<b>(13.13)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Short term borrowings		(902.30)		1652.91
<b>Net cash flow from financing activities (C)</b>		<b>(902.30)</b>		<b>1652.91</b>
Net increase/ (decrease) in cash & cash equivalents (A+B+C)		(9.56)		13.72
Cash & cash equivalents opening balance		22.00		8.28
Cash & cash equivalents closing balance		<b>12.44</b>		<b>22.00</b>

**For Shankar & Kishor**  
Chartered Accountants  
Firm Registration No. 112451W

**Shankar B Shetty**  
Partner  
M. No. 038139  
Place: Mumbai  
Date: 17.05.2021

**For and on behalf of the Board**

**Sundar Iyer**  
Director  
DIN: 00481975

**AVM Sundaram**  
Company Secretary

**Krishnan Muthukumar**  
Director  
DIN: 00463579

**Bhaskar Shetty**  
CFO

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

### 1. General information

Twentyfirst Century Shares & Securities Limited company engaged in investments in Capital Market and Futures & Options segment. The company is a wholly owned subsidiary of Twentyfirst Century Management Services Limited which is also engaged in trading activities like Capital Market and Futures & Options segment. The Company does not have any employees and hence getting services of holding company for day to day operations.

### A . Significant Accounting Policies

#### a. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in this statement. The financial statements are prepared under the historical cost basis except for following assets and liabilities which have been measure at fair value:

- Certain Financial Assets & Liabilities (including derivative instruments)

#### b. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the amounts of revenue, investment in subsidiaries & Investment in Financial Assets. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment this situation does not materially impact this financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature & duration. The company will continue to monitor any material changes to future economic condition

**c. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is generally accounted on accrual or as they are earned or incurred except in case of significant uncertainty. Revenue from investing / trading in shares, securities etc. is recognized on trade dates on first in first out basis. Revenue from Derivative Instruments & any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions.

**d. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets****Initial Recognition**

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent measurement**

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

**Non-derivative financial instruments**

- i. Financial assets carried at amortized cost A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss



**e. Income taxes****Current Tax:**

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

**Deferred Tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

**f. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives. Depreciation on all assets of the Company is provided on WDV Method at the rates and manner prescribed in Schedule II to the Companies Act, 2013.

The useful life of items of property, plant and equipment is mentioned below:

Particulars	Years
Furniture & Fixture	10 Years

**g. Depreciation**

Property, Plant & Equipment are depreciated using the written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**h. Lease Accounting**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the Risks and rewards of ownership to the lessee. All other leases are classified as operating leases. In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases

**i. Provisions & Contingent Liabilities**

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 Nonfinancial Assets**

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

**k. Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

**l. Cash flow statement**

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

**m. Trade & Other Payables**

These amounts represent liabilities for services received by the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**n. Segment reporting**

The Company operates in only one segment i.e., Capital Market operations, hence segment reporting in accordance with Accounting Standard-108 is not applicable.

**2. NOTES TO ACCOUNTS:****a. Audit Fees**

Rs. in Lacs

Particulars	31-03-2021	31-03-2020
Statutory Audit	1.25	1.25
Tax audit	0.75	0.75
Appeal and other matters	0.50	0.50
<b>TOTAL</b>	<b>2.50</b>	<b>2.50</b>

**b. Remuneration of Directors And Key Managerial Personnel**

Remuneration to other Directors:

Rs. in lacs

Name of the Director	Designation	Remuneration	Sitting Fees
Krishnan Muthukumar	Director	NA	0.36
Iyer Vishwanath	Independent Director	NA	0.48
Dipti Sakpal	Independent Director	NA	0.48
Sundar Iyer	Director	NA	0.42
B K Rai	Independent Director	NA	0.05

- c. Deferred tax asset of Rs. 0.60 lacs have been created for difference in written down value of fixed assets between books and tax accounts, detailed as under:

Particulars	Rs. in lacs	
	31-Mar-21	31-Mar-20
On timing differences on depreciation on fixed assets	1.93	0.18
Deferred tax thereon	0.60	0.06

- d. EARNING PER SHARE

Particulars	31-Mar-21	31-Mar-20
Net profit/(Loss) After Tax (Rs. In Lacs)	864.86	(2022.50)
Weighted average number of outstanding shares (In Lacs)	55.90	55.90
Basic/Diluted EPS (Face Value of Rs. 10 each)	15.47	(36.18)

- e. Related party disclosures as required under IND AS-24 (Related Party Disclosures)  
Related party and their relationship

Related party	Relationship
Twentyfirst Century Management Services Ltd.	Holding Company
Sundar Iyer	Director
Krishnan Muthukumar	Director
Iyer Vishwanath	Independent director
B .K Rai	Independent director
Dipti Sakpal	Independent director
SI Investments & Broking 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	Company Secretary
Bhaskar Shetty	CFO

Transactions with the related parties for trading activity

Name of the party	Nature of transaction	Rs. In Lacs	
		31-Mar-21	31-Mar-20
Twentyfirst Century Mgmt. Services Ltd.	Short term loans received	3001.25	3103.54
SI Investments & Broking Pvt Ltd	Brokerage paid	47.81	19.34
Twentyfirst Century Mgmt. Services Ltd.	Service charges paid	6.00	6.00
Lubricants & Allied Products Mfg. Co. Pvt. Ltd	Rent paid	1.20	1.20
Dipti Sakpal	Directors sitting fees	0.48	0.51
Krishnan Muthukumar	Directors sitting fees	0.36	0.39
Iyer Vishwanath	Directors sitting fees	0.48	0.51
Sundar Iyer	Directors sitting fees	0.42	NIL
B.K Rai	Directors sitting fees	0.05	NIL

- f. The Company has not provided income tax liability of Rs. 2.45Lacs for AY2016-17 that may arise in respect of income tax matters pending in appeal. It is not practicable to estimate the timing of cash outflows in respects of this matter. However, the company has been advised that it has fair chance of winning the appeal.
- g. Trade receivable of Rs. 1525.51 lacs are under dispute and litigation & hence no provision for doubtful debts has been made in the accounts.
- h. Company has 3,20,869 shares of listed companies' scripts belong to clients which are reflected in the ICICI Bank Demat account against their dues pending with company. The mentioned shares are not reflecting in the books of accounts because as they do not belong to the company.
- i. During the year, Company has decided through board resolution to discontinue Investment activities and carry on share trading activities only. Accordingly, all the operations are shows as Share trading activities in the books.
- j. During the year, the management has decided to write off Loans & Advances given amounting to Rs. 25 Lakhs since it has become irrecoverable from the parties for which we have obtained a certificate and a copy of board resolution from the management.
- k. Accumulated loss of M/s. Twenty-first Century Shares & Securities Limited has eroded more than 100% of the net worth of the Company. However, having regard to the expected improvement in the operational performance in the coming years as compared to the previous year as per the information given by the management, the financial statements have been prepared on the basis that the Company is going concern and that no adjustments are required to the carrying value of assets and liabilities.
- l. 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.
- m. Previous year figures have been regrouped or rearranged wherever necessary to facilitate comparison.

As per our Report of even Date  
For Shankar & Kishor  
Chartered Accountants  
Firm Registration No.112451

For and on behalf of Board  
Sundar Iyer  
Chairman

Krishnan Muthukumar  
Director

Bhaskar Shetty  
CFO

Shankar B Shetty  
Partner  
M. No. 038139  
Place: Mumbai  
Date : 17.05.2021

AVM Sundaram  
Company Secretary

<b>NOTE -1</b>		
<b>PROPERTY, PLANT AND EQUIPMENTS</b>		
<b>Particulars</b>	<b>Furniture</b>	<b>Total</b>
Gross Carrying Value as at 01-04-2020	13.13	13.13
Additions	0.00	0.00
Deletions	0.00	0.00
<b>Gross Carrying Value as at 31-03-2021</b>	<b>13.13</b>	<b>13.13</b>
Accumulated depreciation as at 01-04-2020	0.84	0.84
Depreciation	3.18	3.18
Accumulated depreciation as at 31-03-2021	4.02	4.02
<b>Net carrying value as at 31-03-2021</b>	<b>9.11</b>	<b>9.11</b>

<b>NOTE-2</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Unsecured considered good	0.00	25.00
	<b>0.00</b>	<b>25.00</b>

<b>NOTE-3</b>		
<b>TRADE RECEIVABLES</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Sundry debtors		
Unsecured considered doubtful outstanding more than six months	1525.51	1525.51
	<b>1525.51</b>	<b>1525.51</b>

<b>NOTE-4</b>		
	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Cash and Cash Equivalents		
Balance in current accounts with scheduled banks	12.44	22.00
	<b>12.44</b>	<b>22.00</b>

<b>NOTE-5</b>		
<b>OTHER CURRENT ASSETS</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Other receivable	0.57	1.15
	<b>0.57</b>	<b>1.15</b>

<b>NOTE-6</b>		
<b>SHARE CAPITAL</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
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
	<b>1500.00</b>	<b>1500.00</b>
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
	<b>558.95</b>	<b>558.95</b>

Disclosure:

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

<b>Equity shares</b>	31-Mar-21		31-Mar-20	
	Qty	Rs. In lacs	Qty	Rs. In lacs
At the beginning of the period	55895000	558.95	55895000	558.95
Issued during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	55895000	558.95	55895000	558.95

<b>Redeemable preference shares</b>	31-Mar-21		31-Mar-20	
	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:

### Equity 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 CRPS was due for payment on 16-09-2018. Since the company could not redeem the same, the maturity of CRPS has been extended upto 16-09-2021 with the approval CRPS share holders in the meeting held on 10-09-2018

### 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 2021 Twentyfirst century Mgt Services Ltd-Holding Company	5589500	750000
As on 31st March 2020 Twentyfirst century Mgt Services Ltd-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-Mar-21		31-Mar-20	
	Qty	% of holding	Qty	% of holding
Twentyfirst century Mgt Services Ltd (Including Nominies)	5589500	100	5589500	100

Preference shares of Rs. 100/- each fully paid up				
Name	31-Mar-21		31-Mar-20	
	Qty	% of holding	Qty	% of holding
Twentyfirst century Mgt Services Ltd	750000	100	750000	100

NOTE-7					
OTHER EQUITY	Reserves & Surplus				
	Securities Premium Account	Retained Earnings	General Reserve	Other comprehensive income	Total
Balance as on 31st March 2019		(1,614.85)	5.20		(1,609.65)
Profit for the year		(2,022.50)			(2,022.50)
Balance as on 31st March 2020		(3,637.35)	5.20		(3,632.15)
Profit for the period		864.86			864.86
Balance as on 31st March 2021		(2,772.49)	5.20		(2,767.29)

<b>NOTE-8</b>		
<b>OTHER FINANCIAL LIABILITIES</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
7,50,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each redeemable on 16-09-2021 held by Twentyfirst Century Management Services Limited	750.00	750.00
	<b>750.00</b>	<b>750.00</b>

<b>NOTE-9</b>		
<b>SHORT TERM BORROWING</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Due to Holding company	3001.25	3103.55
Due to Directors	0.00	800.00
	<b>3001.25</b>	<b>3903.55</b>

<b>NOTE-10</b>		
<b>OTHER CURRENT LIABILITIES</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Statutory remittance	1.00	1.60
Outstanding expenses	4.38	4.06
	<b>5.38</b>	<b>5.66</b>

<b>NOTE-11</b>		
<b>SHORT TERM PROVISIONS</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Provision for tax	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

<b>NOTE-12</b>		
<b>REVENUE FROM OPERATIONS</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Cash segment	168.80	6.76
F&O segment	742.88	(2,106.84)
	<b>911.68</b>	<b>(2100.08)</b>

<b>NOTE-13</b>		
<b>OTHER INCOME</b>	Rupees in lakhs	
	31-Mar-21	31-Mar-20
Other income	0.02	105.35
	<b>0.02</b>	<b>105.35</b>



<b>NOTE-14</b>		
<b>OTHER EXPENSES</b>	31-Mar-21	31-Mar-20
Audit fess	2.50	2.50
Communication expenses	1.79	2.05
Directors sitting fees	1.79	1.41
DP charges	0.04	0.00
Other expenses	2.94	1.12
Printing & stationery	0.71	0.70
Professional fees	2.13	3.12
Repairs & maintenance	0.16	0.00
Rent	1.20	1.20
Sundry balance written off	25.00	0.00
Service charges	6.00	6.00
	<b>44.26</b>	<b>18.10</b>

**For Shankar & Kishor**  
Chartered Accountants  
Firm Registration No. 112451W

**Shankar B Shetty**  
Partner  
M. No. 038139  
Place: Mumbai  
Date: 17.05.2021

**For and on behalf of the Board**

**Sundar Iyer**  
Director  
DIN: 00481975

**AVM Sundaram**  
Company Secretary

**Krishnan Muthukumar**  
Director  
DIN: 00463579

**Bhaskar Shetty**  
CFO





If undelivered, please return to

**TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED**

Registered Office:

1st Floor, Grease House, Zakaria Bundar Road,  
Sewree - West, Mumbai 400 015.

Tel.: 91 22 24191106 / 24156538 | Fax: 91 22 24115260