



GEM

Securities Limited

**21st ANNUAL REPORT
2015-2016**



GCM Securities Limited

BOARD OF DIRECTORS

| | |
|----------------------|------------------------|
| Inder Chand Baid | Chairman |
| Manish Baid | Managing Director |
| Samir Baid | Non-Executive Director |
| Amitabh Shukla | Independent Director |
| Laxmi Narayan Sharma | Independent Director |
| Urmi Bose | Independent Director |

Company Secretary & Compliance Officer

Ms. Pooja Bhartia

AUDITORS

M/s. Bharat D. Sarawgee & Co.
Chartered Accountants, Kolkata

PRINCIPLE BANKERS

ICICI Bank Limited
HDFC Limited
Kotak Mahindra Bank Limited

REGISTERED OFFICE

3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal
Tel. No. 033-22481053 / 22489908
Email : gcmsecu.kolkata@gmail.com
CIN: L67120WB1995PLC071337

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.

No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 29th September, 2016
Time : 10.00 A.M.
Venue : 3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal

**21st
Annual Report
2015 - 2016**

CIN: L67120WB1995PLC071337

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Members are requested to bring their copy of Annual Report at the time of meeting



Notice

Notice is hereby given that the 21st Annual General Meeting of the members of **GCM SECURITIES LIMITED** will be held on Thursday, 29th September, 2016 at 10.00 A.M. at 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata 700001, West Bengal to transact following business as:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2016, Statement of Profit and Loss for the year ended March 31, 2016 and the Reports of Directors and Auditors thereon.
2. To consider and if thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 read with The Companies (Audit and Auditor) Rules, 2015, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules and based on the recommendations of the Audit Committee, M/s. Bharat D. Sarawgee & Co., Chartered Accountant, Kolkata (ICAI Firm Registration No. : 326264E), who have offered themselves for re-appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2015, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 21st Annual General Meeting up to the conclusion of the 24th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS:

3. **Re-Appointment of Mr. Manish Baid as a Managing Director of the Company**

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Manish Baid as a Managing Director of the Company with effect from December 07, 2015 to December 06, 2020 i.e for a period of Five Years on the same terms & conditions as approved by the Shareholders in its Extra ordinary General meeting held on 07/12/2013”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

Place: Kolkata
Date: May 30, 2016

By order of the Board
For **GCM SECURITIES LIMITED**

Registered Office :
3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal
CIN: L67120WB1995PLC071337

INDER CHAND BAID
(DIN : 00235263)
Chairman

**Notes :**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2015, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

3. The Register of Member and the Share Transfer Books of the Company will remain closed from September 23, 2016 to September 29, 2016 (both days inclusive).
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the Company a certified copy of relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
7. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id **gcmsecu.kolkata@gmail.com** for quick and prompt redressal of their grievances.
8. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
9. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the appropriate Authorities to the Annual General Meeting.



10. A route map showing directions to reach the venue of the 32nd Annual General Meeting is given at the end of Notice.
11. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
12. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
13. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
14. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
15. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
 16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.
 17. Copies of Annual Report 2016 along with the Notice for the 21st AGM and instructions for e-voting, with Attendance Slip and Proxy Form are being sent by electronic mode only to those members whose email address are registered with the Company /Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode. Members are requested to bring copies of Annual Report to the Annual General Meeting.
 18. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
 19. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be



- decided on a show of hands at the AGM. **The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2016.**
20. In terms of Clause of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mr. Sumit Verma, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: GCM Securities Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No : +91 22- 2301 2517, E-mail : purvashr@mtnl.net.in so as to reach him on or before Sunday, September 25, 2016 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
 21. In light of the recent judgment of the Bombay High Court, until clarity is available members who have not voted electronically or through ballot, will be permitted to deposit the filled in Ballot Forms, physically at the AGM to enable them to exercise their vote.
 22.
 - (i) Members can request for a Ballot Form at Purva Sharegistry (India) Private Limited, Unit: GCM Securities Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011 or they may also address their request through e-mail to: purvashr@mtnl.net.in. Contact no +91 22 2301 8261.
 - (ii) In case of voting by physical ballot, non-individual members (i. e. other than individuals, HUF, NRI, etc.) are required to send a copy of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer along with the Ballot Form so as to reach the Scrutinizer on or before 5.00 p.m. on Sunday ,September 25, 2016.
 - (iii) The Scrutinizer will scrutinize the voting process (both e-voting and voting by physical ballot) in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.
 23. The shareholders can also access the Annual Report 2015-2016 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.gcmsecuritiesltd.com or on BSE websites, which are www.bseindia.com.
 24. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
 25. The Equity shares of the Company are listed on SME Segment of BSE and Listing Fees for the financial year 2016-2017 have been paid to BSE Ltd.
 26. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide to the members facility of "remote e-voting" (e-voting from place other than venue of the AGM) to exercise their votes at the 21st AGM by electronic means and the business may be transacted through e-voting as per details below:
 - a) Date and time of commencement of voting through electronic means: **Monday, September 26, 2016 at 9.00 a. m.**



- b) Date and time of end of voting through electronic means beyond which voting will not be allowed : **Wednesday, September 28, 2016 at 5.00 p. m**
 - c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **September 22, 2016**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. **The e-voting module shall be disabled by CDSL for voting thereafter.**
 - d) Details of Website: www.evotingindia.com
 - e) Details of Scrutinizer: CA Sumit Kumar Verma, Practicing Chartered Accountant (Membership No. 302320), 86, Sharat Chatterjee Road, Kolkata-700 089. E-mail: sumitvermaca@yahoo.in
 - f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.
27. **The instructions for Members for e-voting are as under:**

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

- i The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- ii Click on “Shareholders” tab
- iii Now, select the GCM SECURITIES LIMITED from the drop down menu and click on “SUBMIT”
- iv Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v Next enter the Image Verification as displayed and Click on Login.
- vi If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. |



| | |
|-----------------------|--|
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in the instructions (iv). |
|-----------------------|--|

- viii After entering these details appropriately, click on “SUBMIT” tab.
 - ix Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - x For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xi Click on the EVSN for GCM SECURITIES LIMITED on which you choose to vote.
 - xii On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xiii Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xiv After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xv Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xvi You can also take out the print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - xvii If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - Scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.



- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.**
28. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
29. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.

Place: Kolkata
Date: May 30, 2016

By order of the Board
For **GCM SECURITIES LIMITED**

Registered Office :
3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal
CIN: L67120WB1995PLC071337

INDER CHAND BAID
(DIN : 00235263)
Chairman

Explanatory Statement pursuant to Section 102(1) of the Companies Act 2013

ITEM NO. 3

Keeping in view that Mr. Manish Baid has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Manish Baid as a Managing Director .

The Board had made the Re-appointment of Mr. Manish Baid to hold office for a term up to five consecutive years on the Board of Directors of the Company with effect from 07 December, 2015 subject to the approval of the members in the General Meetings and other consents may be necessary. Further in the opinion of the Board, Mr. Manish Baid fulfill the conditions for his Re-appointment as Managing Director as specified in the Companies Act, 2013 .

Mr. Manish Baid is interested in the resolution set out respectively at Item No. 3 of the Notice with regard to his Re-appointment. The relatives of Mr. Manish Baid may be deemed to be interested in the resolutions set out at Item Nos. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolutions set forth in the Item Nos. 3 of the Notice for approval of the members.

Place : Kolkata
Date: May 30, 2016

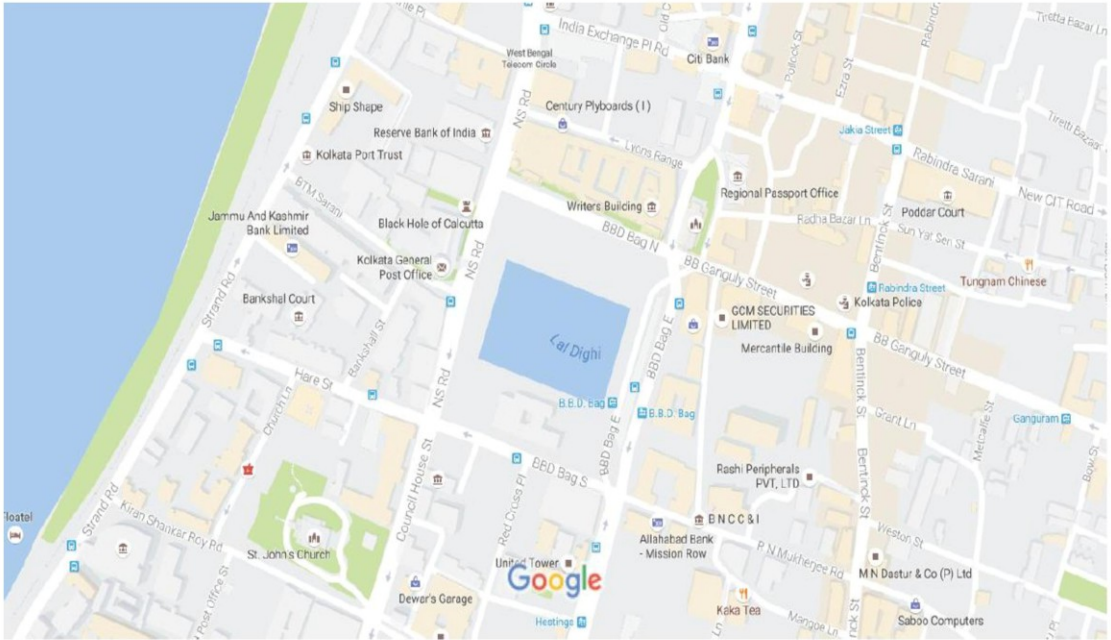
By order of the Board
For **GCM SECURITIES LIMITED**

Registered Office :
3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal

INDER CHAND BAID
(DIN : 00235263)
Chairman



Location Plan of Venue of AGM 2016





Directors' Report

To
The Members,

Your Directors have pleasure in presenting the 21st Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2016.

(₹ in Lac)

| Particulars | For the Year ended on 31.03.2016 | For the Year ended on 31.03.2015 |
|--|----------------------------------|----------------------------------|
| Operating Income | 169.71 | 192.50 |
| Other Income | 111.19 | 139.40 |
| Total Income | 280.90 | 331.90 |
| Total Expenditure | 266.97 | 195.71 |
| Profit/(Loss) before taxation | 13.93 | 136.19 |
| Tax Expenses | 4.58 | 29.07 |
| Profit/(Loss) after Taxation | 9.35 | 107.12 |
| Balance carried forward to Balance Sheet | 9.35 | 107.12 |

OVERALL PERFORMANCE & OUTLOOK

Your Company is one of the SEBI registered Stock Broker and is a registered Corporate Member of the National Stock Exchange of India Limited (NSE) and of the BSE Limited (BSE) in the Capital Market Segment and Future & Option.

Gross revenue for the year was ₹ 280.90 Lac in comparison to last years' figure of ₹ 331.90 Lac. The Company has registered a gross profit of ₹ 13.93 Lac in comparison to last year's figure of ₹ 136.19 Lac. In terms of Net Profit, the same was of ₹ 9.35 Lac in comparison to last years' net Profit of ₹ 107.12 Lac.

Outlook for current financial year looks challenging due to the steep competition in broking business, increasing cost and regular changes in rules and guidelines and perceptible expenditure made on account of new purchase of Stock . Even the continuous fall in trading volume impacted the profitability of the Company.

The Company follows the Rules, Regulations and Guidelines framed by SEBI / Stock Exchanges while carrying activities in Stock Market, both in term of Clientele business and its own investments.

DIVIDEND AND RESERVES

Due to inadequate profit during the year and in order to conserve resources for future, your Directors do not recommends any further Dividend payments for the year under review.

During the year under review, no amount was transferred to General Reserve.

**SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2016 was ₹ 18.9960 Crore. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

FINANCE AND ACCOUNTS

Your Company prepares its financial statements in compliance with the requirements the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31st March 2016.

The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated February 16, 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification the company & its subsidiary would adopt Ind AS for the accounting period beginning April 1, 2016

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed in this Annual Report as **Annexure I**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any Subsidiary within the meaning of section 2(87) of the Companies Act 2013 .However your Company have Associate Companies which is detailed in AOC-1 (Part –B) and no Joint Venture which is covered under Section 2(6) of the Companies Act 2013("Act")

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large and hence do not attract the provisions of Section 188 of the Companies Act, 2013 thus disclosure in form AOC-2 is not required.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis is annexed and forms part of the Directors' Report as **Annexed as II**.



MANAGEMENT

There was no change in Management of the Company during the year under review. Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

MEETINGS:

During the year 2015-16 Five meetings of the Board of Directors were held and the gap between two such meetings does not exceeds 120 days. Meetings were held on 28th May,2015,17th October,2015,9th November,2015,03rd December ,2015and 10th February 2016.

Attendance of the Directors at the Board meetings

| Sl.NO | Name | Designation | Meetings attended |
|-------|-------------------------|-------------------------|-------------------|
| 1. | Mr.Inder Chand Baid | Chairman | 5 |
| 2. | Mr.Manish Baid | Managing Director | 5 |
| 3. | Mr.Samir Baid | Non –Executive Director | 5 |
| 4. | Mr.Laxmi Narayan Sharma | Independent Director | 5 |
| 5. | Mr Amitabh Shukla | Independent Director | 5 |
| 6. | Mrs. Urmi Bose | Independent Director | 5 |

AUDIT COMMITTEE:

In compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there were no occasions during the year where the Board of Directors did not accept the recommendations of the Audit Committee.

During the year 2015-16 Four meetings of the Audit Committee were held on 28th May,2015,17th October,2015, 09th November 2015 and 10th February 2016.

Attendance of the Audit Committee meetings

| Sl.N O | Name | Designation | Position | Meetings attended |
|-----------|----------------------------|----------------------|----------|-------------------|
| 1. | Mr.Inder Chand Baid | Director | Member | 4 |
| 2. | Mr.Amitabh Shukla | Independent Director | Chairman | 4 |
| 3. | Mr.Laxmi Narayan Sharma | Independent Director | Member | 4 |

NOMINATION AND REMUNERATION COMMITTEE:

In compliance with Section 178 (4) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Nomination and Remuneration Committee consisting of 2 Independent Directors and one Non-Executive Director.



The said Committee lays down the Policy on Remuneration stating therein the positive attributes required for the Managing Director, Independent Directors and Key Managerial Personnel. The said policy also states the modus operandi for determining the remuneration to the above said personnel. The Remuneration Policy of the Company can be viewed on the Company's website www.gcmsecuritiesltd.com.

During the year 2015-16 two meetings of the Nomination & Remuneration Committee were held on 17TH October, 2015 and on 10th February 2016.

Attendance of the Nomination & Remuneration Committee meetings

| Sl. NO | Name | Designation | Position | Meetings attended |
|--------|------------------------|----------------------|----------|-------------------|
| 1. | Mr.Manish Baid | Managing Director | Member | 2 |
| 2. | Mr.LaxmiNarayan Sharma | Independent Director | Chairman | 2 |
| 3. | Mr.Amitabh Shukla | Independent Director | Member | 2 |

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In compliance with Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Stakeholders Relationship Committee consisting of two Independent Directors, one Non-executive Director and the Managing Director. During the year 2015-16 three meetings of the Stakeholders Relationship Committee. Meetings were held on 13th May, 2015, 20th May,2015 and on 02nd February , 2016.

Attendance of the Stakeholders Relationship Committee meetings.

| Sl. NO | Name | Designation | Position | Meetings attended |
|--------|------------------------|----------------------|----------|-------------------|
| 1. | Mr.Manish Baid | Managing Director | Member | 2 |
| 2. | Mr.Laxmi Narayan Sharm | Independent Director | Member | 2 |
| 3. | Mr. Amitabh Shukla | Independent Director | Chairman | 2 |

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration Policy, which inter-alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The Remuneration Policy is stated in the www.gcmsecuritiesltd.com.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTOR:

The Company is required to conduct the Familiarisation Programme for Independent Directors pursuant to SEBI (LODR) Regulation 2015 , to familiarise them about the Company and their roles, rights, responsibilities in the Company. The details of such Familiarisation Programme for directors may be referred to, at the website of the Company www.gcmsecuritiesltd.com.

**BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The provisions of the Companies Act 2013 relating to CSR activities are not applicable to the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Whole Time Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors confirms that :

1. In the preparation of the annual accounts, for the year ended 31st March 2016, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;



2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The Directors had prepared the annual accounts on a going concern basis.
5. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
6. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in information and technology to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

BUSINESS RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013, The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments viz. Finance and Capital Market activities.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As required under Rule 7 of The Companies (Meetings of Board and its Powers) Rules 2014, the Company has a vigil mechanism named Fraud Risk Management Policy (FRM) to deal with instance of fraud and mismanagement, if any.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Statutory Auditors

The Auditors M/s Bharat D. Sarawgee & Co., Chartered Accountants, Kolkata who are Statutory Auditors of the Company and holds the office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company from the conclusion of the 20th Annual General Meeting up to the conclusion of the 24th consecutive Annual



General Meeting (subject to ratification by the members at every subsequent AGM). As required under the provisions of Section 139 & 142 of the Companies Act, 2013 the Company has obtained written confirmation from M/s. Bharat D. Sarawgee & Co. that their appointment, if made, would be in conformity with the limits specified in the said Section.

The Auditors' Report to the Member together with Accounts for the year ended 31st March, 2016 and the observations of the Auditors as referred in their report are suitably explained in the notes to accounts and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s.A.L.Associates ,Ms.Priiti Lakhota (Partner) M.No-21970 Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed elsewhere in this Annual Report & does not contain any qualification, reservation or adverse remark.

Internal Auditors

The Company has appointed M/s. Baid Ray & Associates., Chartered Accountants, Kolkata (CP NO: 055737), as Internal Auditors of the Company for the current financial year.

PARTICULARS OF EMPLOYEES

Details of remuneration paid to employees as required by Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable, since the Company has not employed any person drawing salary of more than Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month.

The full Annual Report including the aforesaid information is being sent to all shareholders of the Company through the prescribed mode and is available on the Company's website.

PARTICULARS UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013

Since the Company is into the Business of Share Broking as well as an Investee /trader into Shares and Securities; the information regarding conservation of energy, Technology Absorption, Adoption and innovation, under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE :

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal

**PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON CORPORATE GOVERNANCE

As per SEBI circular no: SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 No. SEBI/LAD-NRO/GN/2015-16/013 dated September 2, 2015, Company paid up capital is less than Rs.10 Crores and Net Worth is also less than Rs. 25 Crores Or Company Listed On SME Platform Company was not required to comply with the norms of the Corporate Governance.

Since, the Company was listed on SME Exchange Only as on Financial Year ending 31st March, 2016, therefore, the provisions relating to Corporate Governance Report are not applicable to the Company.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Place: Kolkata
Date: May 30, 2016

By order of the Board
For **GCM SECURITIES LIMITED**

Registered Office :
3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal

INDER CHAND BAID
(DIN : 00235263)
Chairman



Annexure -I

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2015
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

| I. Registration & Other Details | |
|---|---|
| CIN | L67120WB1995PLC071337 |
| Registration Date | 02/05/1995 |
| Name of the Company | GCM Securities Limited |
| Category / Sub-Category of the Company | Category : Company having Share Capital Sub-Category : Indian Non-Government Company |
| Address of the Registered Office and contact details | 3B, Lal Bazar Street, Sir R N M House 5th Floor, Kolkata 700001, West Bengal Tel. No. 033-22481053 / 22489908 |
| Whether listed company | Listed Company |
| Name, address and contact details of Registrar and Transfer Agent, if any | Purva Sharegistry (India) Pvt. Ltd. No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011 Tel : +91 22 2301 8261 / 0771 |

| 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: | | |
| Name and Description of main Businesses | NIC Code of Business | % of Total Turnover of the Company |
| Trading / Investment in Shares & Securities & Financing activities | 66110 | 54.46% |
| Interest on Fixed Deposit with Banks & on Bonds | 64990 | 41.99% |

| III. Details of Subsidiary / Associate / Holding Companies | | | | |
|--|----------------|----------------------------------|------------------|--------------------|
| Name & Address of Company | CIN / GLN | Holding / Subsidiary / Associate | % of Shares Held | Applicable Section |
| Not Any | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

| IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity) | | | | | | | | | |
|--|---|-------------|-----------------|-------------------|---|----------|-----------------|-------------------|--------------------------|
| Category wise Shareholding | | | | | | | | | |
| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 49797000 | 2000 | 49799000 | 26.22 | 49799000 | - | 49799000 | 26.22 | - |
| b) Central Govt. (s) | - | - | - | - | - | - | - | - | - |
| c) State Govt. (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 29101000 | - | 29101000 | 15.32 | 29101000 | - | 29101000 | 15.32 | - |
| e) Banks / FIs | - | - | - | - | - | - | - | - | - |
| f) Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total A(1) | 78898000 | 2000 | 78900000 | 41.54 | 78900000 | - | 78900000 | 41.54 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other - Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FIs | - | - | - | - | - | - | - | - | - |
| e) Any Other | - | - | - | - | - | - | - | - | - |
| Sub Total A(2) | - | - | - | - | - | - | - | - | - |
| Total Shareholding of | 78898000 | 2000 | 78900000 | 41.54 | 78900000 | - | 78900000 | 41.54 | - |



| | | | | | | | | | | |
|---|------------------|----------------|------------------|---------------|------------------|----------------|------------------|---------------|---|----------|
| Promoters (A1) + (A2) | | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | | |
| (1) Institutions | | | | | | | | | | |
| a) Mutual Funds / UTI | - | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - | - |
| c) Central Govt. (s) | - | - | - | - | - | - | - | - | - | - |
| d) State Govt. (s) | - | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - | - |
| i) Others (Specify) | - | - | - | - | - | - | - | - | - | - |
| Sub Total B(1) | - | - | - | - | - | - | - | - | - | - |
| (2) Non-Institutions | | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | | |
| i. Indians | 95139823 | 720000 | 95859823 | 50.46 | 101147800 | 720000 | 101867800 | 53.62 | | 3.16 |
| ii. Overseas | - | - | - | - | - | - | - | - | | - |
| b) Individuals | | | | | | | | | | |
| i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh | 6862675 | 420000 | 7282675 | 3.83 | 5735000 | 420000 | 6155000 | 3.24 | | (0.59) |
| ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh | 5682400 | - | 5682400 | 2.99 | 720000 | - | 720000 | 0.37 | | (2.62) |
| c) Others (Specify) | | | | | | | | | | |
| i. HUF | 2185902 | - | 2185902 | 1.15 | 2004800 | - | 2004800 | 1.05 | | (0.10) |
| ii. Clearing Members | 38400 | - | 38400 | 0.02 | 311200 | - | 311200 | 0.16 | | (0.14) |
| iii. Market Maker | 10800 | - | 10800 | 0.01 | 1200 | - | 1200 | 0.00 | | (0.01) |
| iv. NRI/OCB | - | - | - | - | - | - | - | - | | - |
| v. Trust | - | - | - | - | - | - | - | - | | - |
| Sub Total B(2) | 109920000 | 1140000 | 111060000 | 58.46 | 109920000 | 1140000 | 111060000 | 58.46 | | - |
| Total Public Shareholding B = B(1) + B(2) | 109920000 | 1140000 | 111060000 | 58.46 | 109920000 | 1140000 | 111060000 | 58.46 | | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | | - |
| Grand Total (A+B+C) | 188818000 | 1142000 | 189960000 | 100.00 | 188818000 | 1142000 | 189960000 | 100.00 | | - |

ii) Shareholding of Promoters

| Shareholders Name | Shareholding at the beginning of the year | | | Shareholding during and at the end of the year | | | % 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 | |
| Manish Baid | 1364800 | 7.19 | Nil | 13650000 | 7.19 | Nil | - |
| Samir Baid | 1347500 | 7.09 | Nil | 13475000 | 7.09 | Nil | - |
| Saroj Baid | 1319100 | 6.94 | Nil | 13191000 | 6.94 | Nil | - |
| I. C. Baid | 948300 | 4.99 | Nil | 9483000 | 4.99 | Nil | - |
| Global Capital Market & Infrastructures Limited | 2910100 | 15.32 | Nil | 29101000 | 15.32 | Nil | - |



| iii) Change in Promoters' Shareholding (Please specify, if there is no change) | | | | | | |
|---|---|----------------------------------|---|----------------------------------|-----------------|--------------------|
| Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | Date of Changes | Reason for Changes |
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company | | |
| No Change in Shareholding except 2000 Shares Transfer from the promoter Group to Promoter (Mr.Buddhaml Chajjer & Mr.Naresh Chajjer to Mr.Manish Baid) | | | | | | |

| iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs) | | | | |
|---|---|----------------------------------|---|----------------------------------|
| For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during and at the end of the year | |
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| Rita Nitin Mehta | 144,000 | 0.76% | - | - |
| Navinkumar Gupta | 120,000 | 0.63% | - | - |
| Abinesh. Y. | 100,000 | 0.53% | - | - |
| Narendrapal Gupta | 96,000 | 0.51% | - | - |
| Narinder Pal Gupta | 96,000 | 0.51% | - | - |
| Naresh B.Khatar | 80,000 | 0.42% | - | - |
| Nitin Babubhai Mehta | 72,000 | 0.38% | - | - |
| Vivek Kejriwal | 60,000 | 0.32% | - | - |
| Vivek Kejriwal | 60,000 | 0.32% | - | - |
| Sunil Kumar Jalan | 60,000 | 0.32% | - | - |
| Indrawati Nirman Private Limited | - | - | 75,76,800 | 3.98 |
| Kailashpati Vyapaar Private Limited | - | - | 52,04,000 | 2.73 |
| Ecospace Infotech Private Limited | - | - | 45,63,200 | 2.40 |
| Silversand Agency Private Limited | - | - | 41,32,000 | 2.17 |
| Goldensight Commotrade Private Limited | - | - | 39,53,850 | 2.08 |
| Blue Horizon Commosales Private Limited | - | - | 38,37,600 | 2.02 |
| Everstrong Estate Advisory Private Limited | - | - | 38,02,400 | 2.01 |
| Samudhita Vanija Private Limited | - | - | 35,56,800 | 1.87 |
| Sandview Tradings Private Limited | - | - | 34,63,200 | 1.82 |
| Phagun Broking & Consultancy Private Limited | - | - | 33,72,800 | 1.77 |

| v) Shareholding of Directors and Key Managerial Personnel | | | | |
|--|---|----------------------------------|---|----------------------------------|
| For Each of Directors & KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during and at the end of the year | |
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| I. C. Baid, Chairman | | | | |
| At the beginning of the year | 948300 | 4.99 | 9483000 | 4.99 |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Not Applicable | | | |
| Manish Baid, Managing Director | | | | |
| At the beginning of the year | 1364800 | 7.19 | 13650000 | 7.19 |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Change (transfer of 2000 Equity shares from one of the promoters Grp) | | | |
| Samir Baid, Director | | | | |
| At the beginning of the year | 1347500 | 7.09 | 13475000 | 7.09 |



| | |
|--|----------------|
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Not Applicable |
|--|----------------|

V. INDEBTEDNESS

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

| | Secured Loans Excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | ₹ 2980689 | Nil | Nil | 2980689 |
| Change in Indebtedness during the financial year | ₹ Nil | Nil | Nil | ₹ Nil |
| Indebtedness at the end of the financial year | ₹ 2980689 | Nil | Nil | 2980689 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

| Sr. No. | Particulars of Remuneration | Manish Baid Managing Director | Shrenik Choraria CFO | Pooja Bhartia Company Secretary |
|---------|-----------------------------|----------------------------------|-------------------------|------------------------------------|
| 1. | Gross Salary | ₹ 3,00,000/- | ₹ 2,63,867/- | ₹ 1,50,000/- |
| 2. | Value of Perquisites | Nil | Nil | Nil |
| 3. | Stock Options | Nil | Nil | Nil |
| 4. | Sweat Equity | Nil | Nil | Nil |
| 5. | Commission | Nil | Nil | Nil |
| 6. | Others (Please specify) | 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) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers in Default | | | | | |
| Penalty | | | No Instance | | |
| Punishment | | | | | |
| Compounding | | | | | |



AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

| Sl. No. | Particulars | Details |
|---------|---|---------|
| 1. | Names of Subsidiary | NIL |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NIL |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NIL |
| 4. | Share capital | NIL |
| 5. | Reserves & surplus | NIL |
| 6. | Total assets | NIL |
| 7. | Total Liabilities | NIL |
| 8. | Investments | NIL |
| 9. | Turnover | NIL |
| 10. | Profit before taxation | NIL |
| 11. | Provision for taxation | NIL |
| 12. | Profit after taxation | NIL |
| 13. | Proposed Dividend | NIL |
| 14. | % of shareholding ** | NIL |

**Based on Equity Share holding only

1. Names of subsidiaries which are yet to commence operations- NIL
2. Names of subsidiaries which have been liquidated or sold during the year- NIL



Part "B"

Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Sr.No | Name of associates/ Joint Ventures | GCM Capital Advisors Limited | GCM Commodity & Derivatives Limited |
|-------|--|------------------------------|-------------------------------------|
| 1. | Latest audited Balance Sheet Date | 31.03.2016 | 31.03.2016 |
| 2. | Shares of Associate/ Joint Ventures held by the company on the year end | | |
| | No. | 6090000 | 2625500 |
| | Amount of Investment in Associates/ Joint Venture | 12,15,00,000 | 5,25,10,000 |
| | Extend of Holding% | 35.95% | 35.35% |
| 3. | Description of how there is significant influence | Shareholding | Shareholding |
| 4. | Reason why the associate/ joint-venture is not consolidated | As per AS 23 | As per AS 23 |
| 5. | Net worth attributable to shareholding as per latest audited Balance Sheet | 350001638 | 280927280 |
| 6. | Profit/Loss for the year (Not Considered in consolidation) | 535884 | 940359 |

Place: Kolkata

Date : 30th May 2016

For and on behalf of the Board of
GCM Securities Limited

Manish Baid
Managing Director

DIN: 00239347

Samir Baid
Director

DIN: 00243521

**SECRETARIAL AUDIT REPORT
FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
GCM Securities Limited

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

Based on my verification of GCM Securities Limited'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 March 31, 2016, 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 examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;



- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

- a) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- b) Redemption / buy-back of securities.
- c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction etc.
- e) Foreign technical collaborations.

Place : Kolkata

Date : May 30, 2016

Priti Lakhota
Company Secretaries
Membership No:21970

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March, 2016.

INDUSTRY STRUCTURE & DEVELOPMENT

The last year has been a fortuitously good one for the Indian economy with a sea change in the macroeconomic parameters and a sustainable turnaround on the cards. At a time when concerns have been raised about global growth prospects, the Indian economy has marched on and has in fact entered a sweet spot. As a start, Gross Domestic Product (GDP) growth, which had plummeted to sub 5% levels in past two fiscal years finally seems to have picked up on the back of a cyclical rebound and some genuine improvement. Growth in the current year, while not spectacular, has moved up firmly into the 5%+ handle. This improvement has come on the back of improved performance in the industrial sector, stable growth in the services sector and a surprisingly resilient agriculture sector.

Foreign fund flows through the portfolio route have picked up massively after the elections responding to an improvement across most macroeconomic parameters. The more important and stable flows through the Foreign Direct Investment (FDI) route have also picked up as the government increased the level of permissible investments into some sectors. The capital markets have continued to scale record levels as euphoria has built up on the possible trajectory of the Indian economy. The markets seem to have priced in a favourable policy environment and a consequent increase in corporate performance in the coming years. Overall there is a real sense that a new set of reforms and the enthusiasm in the markets can lead India towards another prosperous era of high growth.

OVERVIEW:

The financial sector in India is predominantly a banking sector with commercial banks accounting for more than 60 per cent of the total assets held by the financial system. India's services sector has always served the country's economy well, accounting for about 57 per cent of the gross domestic product (GDP). In this regard, the financial services sector has been an important contributor. The Government of India has introduced reforms to liberalize, regulate and enhance this industry. At present, India is undoubtedly one of the world's most vibrant capital markets. Challenges remain, but the future of the sector looks good.

PERFORMANCE:

The income of brokerage & commission constitute the income from retail client, HNI etc. Such income is driven principally by the number of active client, market volume and underlying share price movement. . In terms of Net Profit, the same was of ` 9.35 Lac in comparison to last years' net Profit of ` 107.12 Lac. Volatility and adverse stock market conditions have resulted in such lower brokerage and commission income for the financial year 2015-16. In this regard the Company has drawn detailed plans to improve the performance by increasing the revenue stream by initiating the following steps:

- Expand the suite of products and enhance the customer base of retail clients , HNI's and Corporates
- Increase interaction with the investors and tapping of the business through value addition/research products.



OPPORTUNITIES AND THREATS:

We offer equity broking services to Retail, HNI clients and Corporates in the cash and derivative segments. The equity broking is witnessing a good respite due to positive market conditions. As a financial services intermediary, the company's growth and profitability are, to a large part, dependent on the stable growth and functioning of the Capital markets. The growth of financial services sector will allow the Company to grow businesses in each of the verticals. The last year India enter a sweet spot as growth rebounded, inflation declined and the external accounts came under control. From then there has been a lot of positivity built around the India growth story and India seems to be poised to enjoy another spurt in growth. However, to convert this promise into tangible reality we need the government to institute the correct set of reforms all that would set India on the virtuous cycle of growth. The goal for the Company for the year FY 17 will be to improve operating efficiency.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. The management is ensuring an effective internal control system to safeguard the assets of the Company. Efforts for continued improvement of internal control system are being consistently made in this regard. The Company has cleared secured bank liability against assets.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:

The nature of your Company's business requires trained and skilled professionals. Your Company has been successful in attracting and retaining qualified professionals, by offering them a challenging work environment, coupled with competitive compensation including stock ownership. Financial services are a knowledge intensive sector where employee skills form a critical component in service delivery. Your Company is involved in developing comprehensive in-house training sessions to make sure that all employees identify with your Company's vision, purpose and imbibe the ethos of the organisation.. The Company has a young and vibrant team of qualified professionals. The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The industrial relations with staff and officers are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

Place: Kolkata
Date: May 30, 2016

By order of the Board
For **GCM SECURITIES LIMITED**

Registered Office :
3B, Lal Bazar Street, Sir R N M House
5th Floor, Kolkata 700001, West Bengal

INDER CHAND BAID
(DIN : 00235263)
Chairman



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GCM SECURITIES LIMITED
REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying Standalone financial statements of **GCM Securities Limited** ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the cash flow statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made there under, including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, and its Profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A a statement on the matters Specified in paragraphs 3 and 4 of the Order.

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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.

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

i. The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position in its standalone financial statements.



ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses during the year ended March 31, 2016.

iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund during the year ended March 31, 2016.

For Bharat D. Sarawgee
Chartered Accountants
FRN: 326264E

Bharat D. Sarawgee
Partner
Membership No.:061505

Place: Kolkata
Date: 30/05/2016

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely:-

(i)(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) There is no immovable property held in the name of the company.

(ii) The Company is maintaining proper records of inventory and there is no any material discrepancy noticed.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.

(vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and no such accounts and records have been so made and maintained. Accordingly, the provisions of Clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities;

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax -tax, which have not been deposited on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debentureholders as at the balance sheet date.

(ix) In our opinion, and according to the information and explanations given to us, there was no money raised by way of Initial public offer or any term loan, accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations



given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) During the course of our examination of the books and records of the Company according to the information and explanations given to us, the Company has paid managerial remuneration within the limits of Sec 197 of the Companies Act, 2013.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

(xv) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, since being a stock broking company. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Bharat D. Sarawgee
Chartered Accountants
FRN: 326264E**

**Bharat D. Sarawgee
Partner
Membership No.:061505**

**Place: Kolkata
Date: 30/05/2016**



ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **GCM Securities Limited** on the standalone financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **GCM Securities Limited** ("the Company") as of March 31, 2016 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 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 obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bharat D. Sarawgee
Chartered Accountants
FRN: 326264E

Bharat D. Sarawgee
Partner
Membership No.: 061505

Place: Kolkata
Date: 30/05/2016



GCM SECURITIES LIMITED
Balance Sheet as at 31st March 2016

| | | Amounts in | |
|--------------------------------|------|---------------------------|---------------------------|
| | Note | As at March, 31st 2016 | As at March, 31st 2015 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2.1 | 189,960,000 | 189,960,000 |
| Reserves and Surplus | 2.2 | 213,931,097 | 212,995,935 |
| | | 403,891,097 | 402,955,935 |
| Non-Current Liabilities | | | |
| Deferred Tax Liabilities (Net) | | 331,213 | 118,644 |
| | | 331,213 | 118,644 |
| Current Liabilities | | | |
| Secured Loan | 2.3 | 2,980,689 | 3,782,276 |
| Trade Payables | 2.4 | - | 497,500 |
| Other Current Liabilities | 2.5 | 834,464 | 5,253,194 |
| Short-Term Provisions | 2.6 | 4,625,863 | 4,380,186 |
| | | 8,441,016 | 13,913,156 |
| | | | |
| TOTAL | | 412,663,326 | 416,987,735 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Asset : Tangible Assets | 2.7 | 3,581,956 | 5,030,026 |
| Non-Current Investments | 2.8 | 211,300,167 | 215,760,407 |
| Long Term Loans and Advances | 2.9 | 26,424,174 | 58,224,174 |
| | | 241,306,297 | 279,014,607 |
| Current Assets | | | |
| Inventories | 2.10 | 5,581,057 | 4,503,527 |
| Trade Receivables | 2.11 | 39,839,733 | 6,646,772 |
| Cash and Cash Equitant | 2.12 | 95,368,751 | 102,243,503 |
| Short Term Loans & Advances | 2.13 | 30,567,488 | 24,579,326 |
| | | 171,357,029 | 137,973,128 |
| | | | |
| TOTAL | | 412,663,326 | 416,987,735 |

Significant Accounting Policies and notes on Financial Statements

1 & 2

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firms Registration Number: 326264E

For and on behalf of the Board of
GCM Securities Limited

Bharat D. Sarawgee
 Partner
 Membership Number: 061505

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Place: Kolkata
 Date : 30th May 2016

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED
Statement of Profit and Loss for the period ended on 31st March 2016

Amounts in `

| Particulars | Note | Period ended March 31st 2016 | Period ended March 31st 2015 |
|--|------|---------------------------------|---------------------------------|
| INCOME | | | |
| Operating Income | 2.14 | 16,971,508 | 19,250,310 |
| Other Income | 2.15 | 11,119,259 | 13,940,095 |
| Total Revenue | | 28,090,767 | 33,190,405 |
| EXPENDITURE | | | |
| Purchases of Stock-in-Trade | 2.16 | 20,017,312 | 12,993,300 |
| Changes in inventories of Stock-in-Trade | 2.10 | (1,077,530) | (703,020) |
| Stock Exchange & Other Regulatory Expenses | 2.17 | 252,079 | 597,869 |
| Employee Benefits Expense | 2.18 | 2,334,735 | 1,406,592 |
| Finance Cost | 2.19 | 344,956 | 175,105 |
| Deprication and amortisation expenses | 2.7 | 1,590,570 | 946,799 |
| Other Expenses | 2.20 | 3,235,237 | 4,155,008 |
| Total Expenses | | 26,697,359 | 19,571,653 |
| Profit Before tax | | 1,393,408 | 13,618,752 |
| Tax Expenses: | | | |
| Current tax | | 245,677 | 2,831,538 |
| Deferred Tax Liability Reversal | | 212,569 | 75,426 |
| Profit for the year | | 935,162 | 10,711,788 |
| Earning per equity share of face value of ` 10 each | | | |
| Basic (in `) | | 0.00 | 0.05 |
| Diluted (in `) | 2.21 | 0.00 | 0.05 |

Significant Accounting Policies and notes on Financial Statements

1 & 2

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firm's Registration Number 326264E

For and on behalf of the Board of
GCM Securities Limited

Bharat D. Sarawgee
 Partner
 Membership No. 061505

Place: Kolkata
 Date : 30th May 2016

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED

Cash Flow Statement for the Period ended 31st March 2016

| Particulars | Note | Amounts in | Amounts in |
|--|------|-------------------------------|-------------------------------|
| | | Period ended March 31 2016 | Period ended March 31 2015 |
| Cash Flow from Operating Activities | | | |
| Profit before Tax from Operations | | 1,393,408 | 13,618,752 |
| Profit before Tax | | 1,393,408 | 13,618,752 |
| Non-cash Adjustment to reconcile Profit before Tax to Net Cash Flows | | | |
| -Depreciation and Amortisation Expense | | 1,590,570 | 946,799 |
| -Net Gain on sale of Investments | | (2,556,466) | (7,346,313) |
| -IT refund not accounted in P&L | | - | 97,826 |
| -Interest Expense | | 344,956 | 175,105 |
| -Interest/ Dividend Income | | 11,366,637 | (14,046,206) |
| Operating Profit before Working Capital Changes | | 12,139,105 | (6,554,037) |
| Movements in Working Capital: | | | |
| -Increase / (Decrease) in Short-Term Provisions | | 245,677 | - |
| -Increase / (Decrease) in Trade Payables | | (497,500) | - |
| -Increase / (Decrease) in Other Current Liabilities | | (4,418,730) | (4,197,632) |
| -(Increase) / Decrease in Inventories | | (1,077,530) | (703,020) |
| -(Increase) / Decrease in Trade Receivables | | (33,192,961) | 19,975,969 |
| -(Increase) / Decrease in Short Term Loans and Advances | | (5,988,162) | (8,219,904) |
| -(Increase) / Decrease in other Assets | | - | - |
| | | (44,929,206) | 6,855,412 |
| Net Cash Flows from/ (used in) Operating Activities (A) | | (32,790,101) | 301,375 |
| Cash Flow from Investing Activities | | | |
| (Increase)/Decrease in Long Term Loans and Advances | | 31800000 | 12,423,662 |
| Interest/Dividend Received | | 11,366,637 | 14,046,206 |
| (Purchase) / Sale of fixed Assets | | (142,500) | (5,443,573) |
| (Purchase)/ Sale of Current Investments | | (4,460,240) | (55,263,973) |
| Sale of Investment | | 17,317,306 | 58,796,687 |
| Net Cash Flows from/ (used in) Investing Activities (B) | | 24,081,203 | 24,559,009 |
| Cash Flow from Financing Activities | | | |
| Proceeds from Short Term Borrowings | | 2,980,689 | 3,654,256 |
| Repayment of Short Term Borrowings | | (801,587) | (153,624) |
| Proceeds from Issue of Share Capital (including premium) | | - | - |
| Finance Cost | | (344,956) | (175,105) |
| Interim Dividend | | - | (9,153,792) |
| Net Cash Flows from/ (used in) Financing Activities (C) | | 1,834,146 | (5,828,265) |
| | | | |
| Net Increase/(Decrease) in cash and Cash Equivalents (A + B + C) | | (6,874,752) | 19,032,119 |
| | | | |
| Cash & Cash Equivalents at the beginning of the year | | 102,243,503 | 83,211,386 |
| Cash & Cash Equivalents at the end of the year | | 95,368,751 | 102,243,503 |
| Components of Cash & Cash Equivalents | | | |
| Cash on Hand | 2.12 | 1,742,971 | 4,675,562 |
| With Banks - On Current Accounts | | 20,525,780 | 967,941 |
| With Banks - Fixed Deposits | | 73,100,000 | 96,600,000 |
| Total Cash & Cash Equivalents | | 95,368,751 | 102,243,503 |

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firms Registration Number: 326264E

Bharat D. Sarawgee
 Partner
 Membership Number: 061505

Place: Kolkata
 Dated: 30th May 2016

For and on behalf of the Board of
GCM Securities Limited

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary

**GCM SECURITIES LIMITED****Notes on Financial Statements for the Period ended 31st March 2016***(All amounts in ₹, except share data and unless otherwise stated)***Note 1 Company Information & Accounting Policies****Company Information**

The company is incorporated on 2nd May, 1995 at Calcutta, West Bengal, India. It is a Public limited company by its shares. The company operates in Capital Market. The activities of the company include broking, trading, investing in shares & other securities and other related activities of capital market.

Accounting Policies**Basis of Preparation of Financial Statements**

These financial statements have been prepared to comply in all material aspects with Generally Accepted Accounting Principles in India (Indian GAAP), the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Use of Estimates

The preparation of the financial statements in conformity with the generally accepted principles requires the management to make estimates and assumptions that effect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from that estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

Fixed Assets & Depreciation Tangible Assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their book value or net realisable value and are shown separately in the financial statements under Other Current Assets. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the profit and loss account.

Depreciation is provided on a pro-rata basis on the Written Down Value Method at the rates prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Intangible Assets & Amortisation

Intangibles assets are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life, as determined by the management. Leasehold land is amortised over the primary period of the lease.



Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can

be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

a) Income is recognized on accrual basis from brokerage earned on secondary market operations on trade date.

b) Income from arbitrage comprises profit / loss on sale of securities held as stock-in-trade and profit / loss on equity derivative instruments is accounted as per following;

i) Profit / loss on sale of securities is determined based on the FIFO cost of the securities sold.

ii) Profit / loss on arbitrage transactions is accounted for as explained below:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index / Stock Futures / Currency Futures and or Equity Index / Stock Options / Currency Options, which are released on final settlement / squaring-up of underlying contracts are disclosed under "Other current assets". Mark-to-market margin-Equity Index / Stock Futures / Currency Futures representing the amounts paid in respect of mark to market margin is disclosed under "Other current assets".

"Equity Index / Stock Option / Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Equity Index / Stock Futures / Currency Future, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Equity Index / Stock Options / Currency Option, before expiry, the premium prevailing in "Equity Index / Stock Option / Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market / Unrealised Profit / (Loss) on all outstanding arbitrage portfolio comprising of Securities and Equity / Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

Other Income Recognition

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Dividend income on investments is accounted for when the right to receive the payment is established.

Purchase

Purchase is recognized on passing of ownership in share based on broker's purchase note.

Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Investments

Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments. Investments are classified into current and long-term investments.

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non current investments.

Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimated recoverable value.

Taxation



Provision for current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax assets or liabilities arising on account of timing differences between book and tax profits, which are capable of reversal in one or more subsequent years is recognized using tax rate and tax laws that have been enacted or subsequently enacted. Deferred tax asset in respect of unabsorbed depreciation and carry forward losses are not recognized unless there is sufficient assurance that there will be sufficient future taxable income available to realize such losses.

Earnings per Share

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Stock in Trade

Shares are valued at cost or market value, whichever is lower. The comparison of Cost and Market value is done separately for each category of Shares.

Contingent Liabilities & Provisions

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the year end date.



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ₹ except share data and unless otherwise stated)

| | As at 31/Mar/16 | As at 31/Mar/15 | | |
|---|--------------------|--------------------|-----------|---------------|
| Note 2.1 SHARE CAPITAL | | | | |
| Authorised Share Capital | | | | |
| 2,00,000,00(200000000) Equity Shares of ₹ 1/- Each(1/- each) | 200,000,000 | 200,000,000 | | |
| | 200,000,000 | 200,000,000 | | |
| Issued, Subscribed and Paid-up | | | | |
| 18996000(189960000) Equity Shares of ₹ 1/- Each(1/- each) Full Paid Up | 189,960,000 | 189,960,000 | | |
| | 189,960,000 | 189,960,000 | | |
| <i>Equity shareholder holding more than 5% of equity shares along with the number of equity shares held:-</i> | | | | |
| Name of the shareholder | 3/31/2016 | | 3/31/2015 | |
| Share Holders Name | % | No. of Shares | % | No. of Shares |
| <i>Inder Chand Baid</i> | 4.99 | 948,300 | 4.99 | 948,300 |
| <i>Saroj Baid</i> | 6.94 | 1,319,100 | 6.94 | 1,319,100 |
| <i>Manish Baid</i> | 7.18 | 1,364,800 | 7.18 | 1,364,800 |
| <i>Samir Baid</i> | 7.09 | 1,347,500 | 7.09 | 1,347,500 |
| <i>Global Capital Market & Infra Ltd.</i> | 15.32 | 2,910,100 | 15.32 | 2,910,100 |
| <i>The Company has only one class of shares referred to as equity shares having par value of ₹ 1/- each</i> | | | | |
| | | | | |
| | | | | |
| | | | | |



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|---|----------------------|----------------------|
| Note 2.2 Reserves and Surplus | | |
| General Reserve | | |
| Opening Balance | 245,000 | 245,000 |
| Addition During The Year | - | - |
| | 245,000 | 245,000 |
| Share Premium Reserve | | |
| Opening Balance | 205,860,000 | 205,860,000 |
| Addition During The Year | - | - |
| | 205,860,000 | 205,860,000 |
| Profit & Loss Account | | |
| Opening balance | 6,890,935 | 5,563,117 |
| Add: Profit for the year | 935,162 | 10,711,788 |
| Less: Depreciation for Earlier Years | - | 230,178 |
| Less : Dividend Paid 4% Interim | - | 7,598,400 |
| Less : Tax on Dividend Paid 4% Interim | - | 1,555,392 |
| Closing balance | 7,826,097 | 6,890,935 |
| Total of Reserves & Surplus | 213,931,097 | 212,995,935 |
| CURRENT LIABILITIES | | |
| Note 2.3 Secured Loans | | |
| Car Loan | | |
| (Hypothecated Loan on Car from Magma Fincorp) | - | 128,020 |
| (Hypothecated Loan on Car from KMPL) | 2,980,689 | 3,654,256 |
| | 2,980,689 | 3,782,276 |
| Note 2.4 Trade Payables | | |
| Client Balances | - | 497,500 |
| | - | 497,500 |
| Note 2.5 Other Current Liabilities | | |
| Cash Margin Deposits | 735,500 | 735,500 |
| Duties & Taxes | (59,354) | 131,610 |
| Client Dues | - | 4,345,334 |
| Other Payables | 158,318 | 40,750 |
| | 834,464 | 5,253,194 |
| Note 2.6 Short Term Provisions | | |
| Provision For Taxation | 4,625,863 | 4,380,186 |
| | 4,625,863 | 4,380,186 |



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|--|----------------------|----------------------|
| NON CURRENT ASSETS | | |
| Note 2.9 Long Term Loans & Advances | | |
| Deposits With Exchanges | 26,424,174 | 58,224,174 |
| | 26,424,174 | 58,224,174 |
| CURRENT ASSETS | | |
| Note 2.11 Trade Receivables | | |
| More than six months | 6,639,733 | 6,630,107 |
| Others | 33,200,000 | 16,665 |
| | 39,839,733 | 6,646,772 |
| Note 2.12 Cash & Cash Equivalents | | |
| Cash-in-hand (As Certified By the Directors) | 1,742,971 | 4,675,562 |
| Balance with Scheduled Bank | 20,525,780 | 967,941 |
| F.D. With Scheduled Banks (Maturing Within One Year) | 73,100,000 | 96,600,000 |
| | 95,368,751 | 102,243,503 |
| Note 2.13 Short Term Loans & Advances | | |
| Advances Recoverable in cash or for value to be received | 14,926,267 | 3,380,193 |
| Other Short Term Advances | 8,009,377 | 14,658,824 |
| Advance Payment of Income Tax & TDS | 7,631,844 | 6,540,309 |
| | 30,567,488 | 24,579,326 |



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|---|----------------------|----------------------|
| Note 2.14 Operating Income | | |
| Brokerage | 437,522 | 1,179,243 |
| Sales/adjustment of Shares | - | 9,131,600 |
| Speculation Profit / Loss | - | 11,184 |
| Short Term Capital Gain | 2,556,466 | 6,260,709 |
| Long Term Capital Gain | - | 1,074,420 |
| Underwriting Commission | - | 1,483,326 |
| Sales of Shares | 13,728,513 | - |
| Dividend Income | 249,007 | 109,828 |
| | 16,971,508 | 19,250,310 |
| Note 2.15 Other Income | | |
| Interest on Fixed Deposit TDS Rs.10,91,535/- | 10,059,945 | 13,102,568 |
| Misc. Income | 1,629 | 3,717 |
| Bond Interest | 1,057,685 | 833,810 |
| | 11,119,259 | 13,940,095 |
| Note 2.16 Purchase of Stock in Trade | | |
| Purchases of Stock | 19,975,806 | 12,993,300 |
| Direct Expenses | 41,506 | - |
| | 20,017,312 | 12,993,300 |
| Note 2.17 Stock Exchange & Other Regulatory Expenses | | |
| Annual Subscription | 17,978 | - |
| Balances Round off | 224 | 70,318 |
| Exchange Dues | 177,697 | 157,178 |
| Sebi Fees | - | 314,193 |
| VSAT & Leased Line Charges | 56,180 | 56,180 |
| | 252,079 | 597,869 |
| Note 2.18 Employee Benefit Expenses | | |
| Salary Bonus & Allowances | 1,799,508 | 1,021,300 |
| Directors Remuneration | 300,000 | 300,000 |
| Staff Welfare | 235,227 | 85,292 |
| | 2,334,735 | 1,406,592 |
| Note 2.19 FINANCE COST | | |
| Interest on Car Loan | 344,956 | 175,105 |
| | 344,956 | 175,105 |



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | | |
|---|------------------|------------------|
| Note 2.20 OTHER EXPENSES | | |
| Advertisements'- News Paper | 18,935 | 47,848 |
| Payment to Auditors | | |
| Audit Fees | 50,000 | 40,000 |
| Certification Charges | 21,687 | 3,000 |
| Bank Charges | 18,755 | 13374 |
| Business Promotion Expenses | - | 598,317 |
| Depository Charges | 190,671 | 809,394 |
| Donation | - | 125,000 |
| Electricity Charges | 138,760 | 140,770 |
| Filing Fees | 10,600 | 7,800 |
| General Charges | 299,171 | 132,514 |
| Insurance Charges | 98,693 | 8,806 |
| License Fee | 94,696 | 6,300 |
| Office Rent | 360,000 | 360,000 |
| Postage & Courier | 100,518 | 72,185 |
| Printing & Stationery | 150,770 | 97,604 |
| Professional Fee | 71,200 | 74,141 |
| Rates & Taxes & Stamp Charges | - | 201,905 |
| Registrar's & Transfer Agent fee | 32,079 | 48,316 |
| Repair & Maintenance-Computers | 74,685 | 103,734 |
| Repair & Maintenance-Others | 237,377 | 114,827 |
| Telephone Charges | 522,388 | 466,415 |
| Travelling Expenses | 744,252 | 682,758 |
| | 3,235,237 | 4,155,008 |
| Note 2.21 | | |
| Earning Per Share | | |
| Profit/ (Loss) after Tax | 935,162 | 10,711,788 |
| Weighted Average No. of Eq.Shares o/s during the year | 189,960,000 | 189,960,000 |
| Face Value of Equity Shares | 1 | 10 |
| Basic Earning per share | 0.00 | 0.06 |
| Diluted Earning per share | 0.00 | 0.06 |

Note 2.22

The Trade Receivable of Rs.66.30 Lacs from GCM Commodity & Derivatives Ltd. Is on account of settlement dues from National Spot Exchange Ltd.

Note 2.23

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amount unpaid as at the year end together with interest paid/payable as required under the said act, have not been given.

Note. 2.24

In accordance with the requirement under the Accounting Standard - 22 "Accounting for taxes on Income" the company has accounted for deferred Tax during the year. Consequently the net deferred tax Liability of `75,426/- during the year arising due to timing difference in depreciation & related items has been credited to Profit & Loss account.

Note 2.25

The Payment of Gratuity Act, 1972 is not applicable to the company as the number of permanent employees in the company are below ten, similarly no other benefits are paid. The leave encashment are paid within the year and no leave balances are carried forward. Hence AS - 15 Employee Benefit has been complied with.

Note 2.26

There are no impairment of Assets, as the management is of the opinion that the carrying value of assets is more than the realizable value as at 31st March, 2015.



Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

Note. 2.27

Related Party Disclosures: Directors are Key Management Personnel of the Company

Directors of the Company

- 1) Inder Chand Baid
- 2) Manish Baid
- 3) Samir Baid

Other Related entities:

- 1) Global Capital & Infrastructure Ltd.
- 2) Cadillac Vanijya Private Limited
- 3) Silverpearl Hospitality & Luxury Spaces Ltd.
- 4) Chello Commotrade Ltd.
- 5) GCM Capital Advisors Ltd.
- 6) GCM Commodities & Derivatives Ltd.
- 7) Voltaire Leasing & Finance Limited
- 8) Purplkite Innovations Private Limited

Remuneration paid to Directors:

- | | |
|----------------|--------------------|
| 1) Manish Baid | 300000/- per annum |
|----------------|--------------------|

Note 2.28

Other additional information to be disclosed by way of Notes to Statement of Profit and Loss

Quantitative Details of trading items

| Shares | Current Year | Previous Year |
|--|----------------|----------------|
| Opening Stock | 409,564 | 339,564 |
| Less Transfer to Investment | - | - |
| Purchase | 582,800 | 734,000 |
| Sales | 635,800 | 664,000 |
| Consolidation/spilt/bonus of shares during the year (Khoobsurat Ltd. Split from Rs.10/- to Rs.1/- Per Shares Old Stock 15600 New Stock 156000) | 140,400 | - |
| Closing Stock | 496,964 | 409,564 |

Note 2.29

The Company has only one reportable segment namely Share Broking & Self trading in investment products and accordingly disclosures regarding segment reporting are not being made separately.

Note 2.30

Details of Loans given, Investments made, guarantees given covered under section 186(4) of The Companies Act, 2013, Loans given and investments made are disclosed with respected notes, further no guarantee has been given by the Company.

Note 2.31

Previous year's figures have been re-arranged and re-grouped wherever considered necessary.

As per our Report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firm's Registration Number 326264E

For and on behalf of the Board of
GCM Securities Limited

Bharat D. Sarawgee
 Partner
 Membership Number: 061505

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Place: Kolkata
 Dated: 30th May, 2016

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED

Note 2.7

FIXED ASSETS

Tangible Assets

| DESCRIPTION | Rate | Period | GROSS BLOCK | | | DEPRECIATION | | | | NET BLOCK | | |
|---------------------------|-------|----------|-------------------------|------------------|----------|-------------------------|-------------------------|------------------|-------------------|-----------------------------------|------------------------|-------------------------|
| | | | AS AT APRIL 01, 2015 | ADDITIONS | SALES | AS AT MARCH 31, 2016 | AS AT APRIL 01, 2015 | Sales Adjusted | FOR THE PERIOD | Charge to Retained Earnings | UPTO March 31, 2016 | AS AT MARCH 31, 2016 |
| TANGIBLE ASSETS | | | | | | | | | | | | |
| Plant & Machinery | 18.10 | 15 Years | 94,629 | - | - | 94,629 | - | - | - | - | 94,629 | 94,629 |
| Motor Car | 31.23 | 8 Years | 5,931,559 | - | - | 5,931,559 | 1,219,264 | 1,471,650 | - | 2,690,914 | 3,240,645 | 4,712,295 |
| Data Processing Equipment | 63.15 | 3 Years | 282,102 | - | - | 282,102 | 60,769 | 777,760 | - | 138,529 | 143,573 | 221,333 |
| Servers & Network | 39.30 | 6 Years | - | 142,500 | - | 142,500 | - | 41,160 | - | 41,160 | 101,340 | - |
| Furniture & Fixture | 25.89 | 10 Years | 340,451 | - | - | 340,451 | 338,682 | - | - | 338,682 | 1,769 | 1,769 |
| Total | | | 6,648,741 | 142,500 | - | 6,791,241 | 1,618,715 | 1,590,570 | - | 3,209,285 | 3,581,956 | 5,030,026 |
| PREVIOUS YEAR | | | 13,304,950 | 5,443,573 | - | 18,748,523 | 12,541,520 | 946,799 | 230,178 | 13,716,497 | 5,030,026 | 763,430 |



GCM SECURITIES LIMITED

Note: 2.8

INVESTMENTS (AT COST)

| | As at 31st March 2016 | | As at 31st March 2015 | |
|--|-----------------------|--------------------|-----------------------|--------------------|
| | Quantity Rs. | Value Rs. | Quantity Rs. | Value Rs. |
| QUOTED | | | | |
| Non - Current | | | | |
| 1 Ashapur Minechem Ltd. | 200 | 14,360 | 200 | 14,360 |
| 2 Bharati Airtel Ltd. | 500 | 177,350 | 500 | 177,350 |
| 3 Coal India Ltd. | 17 | 4,900 | 17 | 4,900 |
| 4 Dr. Reddy's Laboratories Ltd. | 500 | 1,958,194 | | |
| 5 Eicher Motors Ltd. | 75 | 1,372,927 | | |
| 6 GCM Capital Advisors Ltd. | 6,090,000 | 121,500,000 | 6,090,000 | 121,500,000 |
| 7 GCM Commodity & Derivatives Ltd. | 2,625,500 | 52,510,000 | 2,625,500 | 52,510,000 |
| 8 Global Capital Markets & Infrastructure Ltd | 2,800 | 15,110 | 2,800 | 15,110 |
| 9 Goldbees | 15,000 | 2,979,118 | 15,000 | 2,979,118 |
| 10 GVK Power & Infrastructure Ltd. | 15,000 | 236,250 | 15,000 | 236,250 |
| 11 Infosys Ltd. | 2,060 | 2,539,147 | 2,060 | 2,539,147 |
| 12 ING Vysya Bank Ltd. | - | - | 16,974 | 14,232,812 |
| 13 Indian Oil Corporation Ltd. | 1,000 | 393,441 | - | - |
| 14 KDJ Holidayscapes & Resorts Ltd. | 68,500 | 6,041,977 | 68,500 | 6,041,977 |
| 15 Kirloskar Ferrous Industries Ltd. | 10,000 | 496,000 | 10,000 | 496,000 |
| 16 Kirloskar Oil Engines Ltd. | 2,500 | 600,625 | 2,500 | 600,625 |
| 17 Kirloskar Industries Ltd. | 125 | 78,125 | 125 | 78,125 |
| 18 Maruti Suzuki India Ltd. | 500 | 2,237,528 | | |
| 19 Mahanagar Telephone Nigam Ltd. | 3,200 | 47,104 | 3,200 | 47,104 |
| 20 Navin Fluorine International Limited | 100 | 59,100 | 100 | 59,100 |
| 21 NCL Research and Financial Services Ltd | - | - | - | - |
| 22 Tilak Finance Ltd. (Out of City Travel Solutions) | - | - | - | - |
| 23 Power Grid Corporation of India Ltd. | 186 | 25,612 | 186 | 25,612 |
| 24 Reliance Infrastructure Ltd. | 113 | 81,501 | 113 | 81,501 |
| 25 Reliance Industries Ltd. | 2,525 | 2,306,714 | 2,525 | 2,306,714 |
| 26 Reliance Power Ltd. | 371 | 23,299 | 371 | 23,299 |
| 27 SBIN N5 | 1,063 | 11,749,780 | 838 | 9,125,348 |
| 28 State Bank of India | 5,000 | 1,186,050 | - | - |
| 29 Tata Power Co. Ltd. | 210 | 18,512 | 210 | 18,512 |
| 30 Tata Steel Ltd. | 100 | 45,960 | 100 | 45,960 |
| 31 Tata Teleservices (Maharashtra) Ltd. | 23,176 | 251,746 | 23,176 | 251,746 |
| 32 Va Tech Wabag Ltd. | 1,000 | 1,587,340 | 1,000 | 1,587,340 |
| | 8,871,321 | 210,537,770 | 8,880,995 | 214,998,010 |
| 33 Gold Biscuits | | 762,397 | | 762,397 |
| | - | 762,397 | - | 762,397 |
| | | | | |
| | 8,871,321 | 211,300,167 | 8,880,995 | 215,760,407 |



| GCM SECURITIES LIMITED | | | | | |
|------------------------|--------------------------------|-------------------------|---------------------|-------------------------|---------------------|
| Notes:2.10 | | | | | |
| Details of Inventories | | | | | |
| | | | | Market Price | |
| Sl. No. | Particulars | As at 31st March - 2016 | | As at 31st March - 2015 | |
| | | Quantity Nos. | Value Rs. | Quantity Nos. | Value Rs. |
| 1 | Aanchal Ispat Ltd. | - | - | 270,000 | 3,172,500.00 |
| 2 | Albert David Ltd. | 2,000 | 40,715.00 | 2,000 | 40,715.00 |
| 3 | Central Bank | 964 | 47,792.00 | 964 | 47,792.00 |
| 4 | Global Capital Markets Ltd | 121,000 | 447,700.00 | 121,000 | 982,520.00 |
| 5 | Khoobsurat Ltd. | 15,600 | 260,000.00 | 15,600 | 260,000.00 |
| 6 | Ojas Asset Reconstruction Ltd. | 217,000 | 4,784,850.00 | - | - |
| GRAND TOTAL | | 356,564 | 5,581,057.00 | 409,564 | 4,503,527.00 |



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GCM SECURITIES LIMITED
REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

We have audited the accompanying Consolidated financial statements of **GCM Securities Limited** (“the company”) and its associate companies comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (“the Consolidated Financial Statements”).

Management’s Responsibility for the Consolidated Financial Statements

The Company’s Board of Directors is responsible for the the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of including its associates and in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company’s Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates entities respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, aforesaid.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made there under, including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Company and its associates as at 31st March 2016, and its consolidated Profit and its consolidated cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion proper books of account as required by law have been kept by the Company and its associates including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Company and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Company and its associates including relevant records relating to the preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the company as on 31st March, 2016, taken on record by the Board of Directors of the company, and the reports of the statutory auditors of its associate companies none of the directors is disqualified as on 31st March, 2016, 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 its associates and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



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

- i. The Company and its associates does not have any pending litigations as at March 31, 2016 which would impact its financial position in it sconsolidated financial statements.
- ii. The Company and its associates did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses during the year ended March 31, 2016.
- iii. There were no amounts which required to be transferred by the Company and its associates to the Investor Education and Protection Fund during the year ended March 31, 2016.

For Bharat D. Sarawgee
Chartered Accountants
FRN: 326264E

Bharat D. Sarawgee
Partner
Membership No.:061505

Place:Kolkata
Date: 30/05/2016

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **GCM Securities Limited** on the consolidated financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016. We have audited the internal financial controls over financial reporting of **GCM Securities Limited** ("the Company") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company and its associate has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two associate company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

**For Bharat D. Sarawgee
Chartered Accountants
FRN: 326264E**

**Bharat D. Sarawgee
Partner
Membership No.:061505**

**Place:Kolkata
Date: 30/05/2016**



GCM SECURITIES LIMITED
Consolidated Balance Sheet as at 31st March 2016

| | | Amounts in | |
|--------------------------------|------|---------------------------|---------------------------|
| | Note | As at March, 31st 2016 | As at March, 31st 2015 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2.1 | 189,960,000 | 189,960,000 |
| Reserves and Surplus | 2.2 | 246,690,649 | 212,995,935 |
| | | 436,650,649 | 402,955,935 |
| Non-Current Liabilities | | | |
| Deferred Tax Liabilities (Net) | | 331,213 | 118,644 |
| | | 331,213 | 118,644 |
| Current Liabilities | | | |
| Secured Loan | 2.3 | 2,980,689 | 3,782,276 |
| Trade Payables | 2.4 | - | 497,500 |
| Other Current Liabilities | 2.5 | 834,464 | 5,253,194 |
| Short-Term Provisions | 2.6 | 4,625,863 | 4,380,186 |
| | | 8,441,016 | 13,913,156 |
| TOTAL | | 445,422,878 | 416,987,735 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Asset : Tangible Assets | 2.7 | 3,581,956 | 5,030,026 |
| Non-Current Investments | 2.8 | 183,459,719 | 215,760,407 |
| Long Term Loans and Advances | 2.9 | 26,424,174 | 58,224,174 |
| Goodwill on Consolidation | | 60,600,000 | - |
| | | 274,065,849 | 279,014,607 |
| Current Assets | | | |
| Inventories | 2.10 | 5,581,057 | 4,503,527 |
| Trade Receivables | 2.11 | 39,839,733 | 6,646,772 |
| Cash and Cash Equivalent | 2.12 | 95,368,751 | 102,243,503 |
| Short Term Loans & Advances | 2.13 | 30,567,488 | 24,579,326 |
| | | 171,357,029 | 137,973,128 |
| TOTAL | | 445,422,878 | 416,987,735 |

**Significant Accounting Policies
and notes on Financial Statements**

1 & 2

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firms Registration Number: 326264E

Bharat D. Sarawgee
 Partner
 Membership Number: 061505

Place: Kolkata
 Date : 30th May 2016

For and on behalf of the Board of
GCM Securities Limited

Manish Baid
 Managing Director
 DIN : 00239347

Shrenik Choraria
 CFO

Samir Baid
 Director
 DIN : 00243521

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED
Consolidated Statement of Profit and Loss for the period ended on 31st March 2016

Amounts in `

| Particulars | Note | Period ended March 31st 2016 | Period ended March 31st 2015 |
|--|------|---------------------------------|---------------------------------|
| INCOME | | | |
| Operating Income | 2.14 | 16,971,508 | 19,250,310 |
| Other Income | 2.15 | 11,119,259 | 13,940,095 |
| Total Revenue | | 28,090,767 | 33,190,405 |
| EXPENDITURE | | | |
| Purchases of Stock-in-Trade | 2.16 | 20,017,312 | 12,993,300 |
| Changes in inventories of Stock-in-Trade | 2.10 | (1,077,530) | (703,020) |
| Stock Exchange & Other Regulatory Expenses | 2.17 | 252,079 | 597,869 |
| Employee Benefits Expense | 2.18 | 2,334,735 | 1,406,592 |
| Finance Cost | 2.19 | 344,956 | 175,105 |
| Depreciation and amortisation expenses | 2.7 | 1,590,570 | 946,799 |
| Other Expenses | 2.20 | 3,235,237 | 4,155,008 |
| Total Expenses | | 26,697,359 | 19,571,653 |
| Profit Before tax before share of Profit/(Loss) in Associates | | 1,393,408 | 13,618,752 |
| Tax Expenses: | | | |
| Current tax | | 245,677 | 2,831,538 |
| Deferred Tax Liability Reversal | | 212,569 | 75,426 |
| Profit After Tax before share of Profit/(Loss) in Associates | | 935,162 | 10,711,788 |
| Add: Share of Profit/(Loss) in Associate Company during the year | | 525,067 | - |
| Profit for the year | | 1,460,229 | 10,711,788 |
| Earning per equity share of face value of ` 10 each | | | |
| Basic (in `) | | 0.01 | 0.05 |
| Diluted (in `) | 2.21 | 0.01 | 0.05 |

Significant Accounting Policies and notes on Financial Statements

1 & 2

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firm's Registration Number 326264E

For and on behalf of the Board of
GCM Securities Limited

Bharat D. Sarawgee
 Partner
 Membership No. 061505

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Place: Kolkata
 Date : 30th May 2016

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED

Consolidated Cash Flow Statement for the Period ended 31st March 2016

| Particulars | Note | Amounts in ` | Amounts in ` |
|--|------|-------------------------------|-------------------------------|
| | | Period ended March 31 2016 | Period ended March 31 2015 |
| Cash Flow from Operating Activities | | | |
| Profit before Tax from Operations | | 1,393,408 | 13,618,752 |
| Profit before Tax | | 1,393,408 | 13,618,752 |
| Non-cash Adjustment to reconcile Profit before Tax to Net Cash Flows | | | |
| -Depreciation and Amortisation Expense | | 1,590,570 | 946,799 |
| -Net Gain on sale of Investments | | (2,556,466) | (7,346,313) |
| -IT refund not accounted in P&L | | - | 97,826 |
| -Interest Expense | | 344,956 | 175,105 |
| -Interest/ Dividend Income | | 11,366,637 | (14,046,206) |
| Operating Profit before Working Capital Changes | | 12,139,105 | (6,554,037) |
| Movements in Working Capital: | | | |
| -Increase / (Decrease) in Short-Term Provisions | | 245,677 | - |
| -Increase / (Decrease) in Trade Payables | | (497,500) | - |
| -Increase / (Decrease) in Other Current Liabilities | | (4,418,730) | (4,197,632) |
| -(Increase) / Decrease in Inventories | | (1,077,530) | (703,020) |
| -(Increase) / Decrease in Trade Receivables | | (33,192,961) | 19,975,969 |
| -(Increase) / Decrease in Short Term Loans and Advances | | (5,988,162) | (8,219,904) |
| -(Increase) / Decrease in other Assets | | - | - |
| | | - | - |
| | | (44,929,206) | 6,855,412 |
| Net Cash Flows from/ (used in) Operating Activities (A) | | (32,790,101) | 301,375 |
| Cash Flow from Investing Activities | | | |
| (Increase)/Decrease in Long Term Loans and Advances | | 31,800,000 | 12,423,662 |
| Interest/Dividend Received | | 11,366,637 | 14,046,206 |
| (Purchase) / Sale of fixed Assets | | (142,500) | (5,443,573) |
| (Purchase)/ Sale of Current Investments | | (32,300,688) | (55,263,973) |
| Sale of Investment | | 17,317,306 | 58,796,687 |
| Net Cash Flows from/ (used in) Investing Activities (B) | | (3,759,245) | 24,559,009 |
| Cash Flow from Financing Activities | | | |
| Proceeds from Short Term Borrowings | | 2,980,689 | 3,654,256 |
| Repayment of Short Term Borrowings | | (801,587) | (153,624) |
| Proceeds from Issue of Share Capital (including premium) | | - | - |
| Finance Cost | | (344,956) | (175,105) |
| Interim Dividend | | - | (9,153,792) |
| Net Cash Flows from/ (used in) Financing Activities (C) | | 1,834,146 | (5,828,265) |
| Net Increase/(Decrease) in cash and Cash Equivalents (A + B + C) | | (34,715,200) | 19,032,119 |
| Cash & Cash Equivalents at the beginning of the year | | 102,243,503 | 83,211,386 |
| Cash & Cash Equivalents at the end of the year | | 67,528,303 | 102,243,503 |
| Components of Cash & Cash Equivalents | | | |
| Cash on Hand | 2.12 | 1,742,971 | 4,675,562 |
| With Banks - On Current Accounts | | 20,525,780 | 967,941 |
| With Banks - Fixed Deposits | | 73,100,000 | 96,600,000 |
| Total Cash & Cash Equivalents | | 95,368,751 | 102,243,503 |

As per our report of even date
For Bharat D. Sarawgee & Co.
 Chartered Accountants
 Firms Registration Number: 326264E

Bharat D. Sarawgee
 Partner
 Membership Number: 061505

For and on behalf of the Board of
GCM Securities Limited

Manish Baid
 Managing Director
 DIN : 00239347

Samir Baid
 Director
 DIN : 00243521

Shrenik Choraria
 CFO

Pooja Bhartia
 Company Secretary



GCM SECURITIES LIMITED

Notes on Financial Statements for the Period ended 31st March 2016

(All amounts in ₹, except share data and unless otherwise stated)

Note 1 Company Information & Accounting Policies

Company Information

The company is incorporated on 2nd May, 1995 at Calcutta, West Bengal, India. It is a Public limited company by its shares. The company operates in Capital Market. The activities of the company include broking, trading, investing in shares & other securities and other related activities of capital market.

Accounting Policies

Basis of Preparation of Financial Statements

These financial statements have been prepared to comply in all material aspects with Generally Accepted Accounting Principles in India (Indian GAAP), the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

- i) Investments in Associates are accounted in accordance with AS- 23 on "Accounting for Investments in Associates in Consolidated Financial Statements", under "equity method".
- ii) The difference between the cost of Investments in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

Use of Estimates

The preparation of the financial statements in conformity with the generally accepted principles requires the management to make estimates and assumptions that effect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from that estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognised in the period in which the results are known / materialized.

Fixed Assets & Depreciation Tangible Assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their book value or net realisable value and are shown separately in the financial statements under Other Current Assets. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the profit and loss account. Depreciation is provided on a pro-rata basis on the Written Down Value Method at the rates prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

- assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Intangible Assets & Amortisation

Intangibles assets are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life, as determined by the management. Leasehold land is amortised over the primary period of the lease.



Revenue Recognition

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

specific recognition criteria must also be met before revenue is recognized.

a) Income is recognized on accrual basis from brokerage earned on secondary market operations on trade date.

b) Income from arbitrage comprises profit / loss on sale of securities held as stock-in-trade and profit / loss on equity derivative instruments is accounted as per following;

i) Profit / loss on sale of securities is determined based on the FIFO cost of the securities sold.

ii) Profit / loss on arbitrage transactions is accounted for as explained below:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index / Stock Futures / Currency Futures and or Equity Index / Stock Options / Currency Options, which are released on final settlement / squaring-up of underlying contracts are disclosed under "Other current assets". Mark-to-market margin-Equity Index / Stock Futures /

Currency Futures representing the amounts paid in respect of mark to market margin is disclosed under "Other current assets".

"Equity Index / Stock Option / Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Equity Index / Stock Futures / Currency Future, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Equity Index / Stock Options / Currency Option, before expiry, the premium prevailing in "Equity Index / Stock Option / Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market / Unrealised Profit / (Loss) on all outstanding arbitrage portfolio comprising of Securities and Equity / Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

Other Income Recognition

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Dividend income on investments is accounted for when the right to receive the payment is established.

Purchase

Purchase is recognized on passing of ownership in share based on broker's purchase note.

Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Investments

Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments. Investments are classified into current and long-term investments.

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non current investments. Investments other than in subsidiaries, joint ventures and associates have been accounted as per AS- 13 on "Accounting for Investments."

Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there is a change in the estimated recoverable value.



Taxation

Provision for current Income Tax is made on the taxable income using the applicable tax rates and tax laws. Deferred tax assets or liabilities arising on account of timing differences between book and tax profits, which are capable of reversal in one or more subsequent years is recognized using tax rate and tax laws that have been enacted or subsequently enacted. Deferred tax asset in respect of unabsorbed depreciation and carry forward losses are not recognized unless there is sufficient assurance that there will be sufficient future taxable income available to realize such losses.

Earnings per Share

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Stock in Trade

Shares are valued at cost or market value, whichever is lower. The comparison of Cost and Market value is done separately for each category of Shares.

Contingent Liabilities & Provisions

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the year end date.

As per our report of even date

For Bharat D. Sarawgee & Co.

Chartered Accountants

Firm's Registration Number 326264E

For and on behalf of the Board of

GCM Securities Limited

Bharat D. Sarawgee

Partner

Membership No. 061505

Place: Kolkata

Date : 30th May 2016

Manish Baid
Managing Director
DIN : 00239347

Shrenik Choraria
CFO

Samir Baid
Director
DIN : 00243521

Pooja Bhartia
Company Secretary



Consolidated Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ₹ except share data and unless otherwise stated)

| | As at 31/Mar/16 | As at 31/Mar/15 | | |
|---|--------------------|--------------------|-----------|---------------|
| Note 2.1 SHARE CAPITAL | | | | |
| Authorised Share Capital | | | | |
| 2,00,00,000(20000000) Equity Shares of ₹ 1/- Each(1/- each) | 200,000,000 | 200,000,000 | | |
| | 200,000,000 | 200,000,000 | | |
| Issued, Subscribed and Paid-up | | | | |
| 1,89,96,000(18996000) Equity Shares of ₹ 1/- Each(1/- each) Full Paid Up | 189,960,000 | 189,960,000 | | |
| | 189,960,000 | 189,960,000 | | |
| <i>Equity shareholder holding more than 5% of equity shares along with the number of equity shares held:-</i> | | | | |
| Name of the shareholder | 3/31/2016 | | 3/31/2015 | |
| Share Holders Name | % | No. of Shares | % | No. of Shares |
| <i>Inder Chand Baid</i> | 4.99 | 948,300 | 4.99 | 948,300 |
| <i>Saroj Baid</i> | 6.94 | 1,319,100 | 6.94 | 1,319,100 |
| <i>Manish Baid</i> | 7.18 | 1,364,800 | 7.18 | 1,364,800 |
| <i>Samir Baid</i> | 7.09 | 1,347,500 | 7.09 | 1,347,500 |
| <i>Global Capital Market & Infra Ltd.</i> | 15.32 | 2,910,100 | 15.32 | 2,910,100 |
| <i>The Company has only one class of shares referred to as equity shares having par value of ₹ 1/- each</i> | | | | |



Consolidated Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|---|----------------------|----------------------|
| Note 2.2 Reserves and Surplus | | |
| General Reserve | | |
| Opening Balance | 245,000 | 245,000 |
| Addition During The Year | - | - |
| | 245,000 | 245,000 |
| Capital Reserve (on consolidation) | | |
| Addition during the year (net) | 28,880,500 | - |
| Retained Earnings (On consolidation) | | |
| Addition during the year (net) | 3,353,985 | - |
| Share Premium Reserve | | |
| Opening Balance | 205,860,000 | 205,860,000 |
| Addition During The Year | - | - |
| | 205,860,000 | 205,860,000 |
| Profit & Loss Account | | |
| Opening balance | 6,890,935 | 5,563,117 |
| Add: Profit for the year | 1,460,229 | 10,711,788 |
| Less: Depreciation for Earlier Years | - | 230,178 |
| Less : Dividend Paid 4% Interim | - | 7,598,400 |
| Less : Tax on Dividend Paid 4% Interim | - | 1,555,392 |
| Closing balance | 8,351,164 | 6,890,935 |
| Total of Reserves & Surplus | 246,690,649 | 212,995,935 |
| CURRENT LIABILITIES | | |
| Note 2.3 Secured Loans | | |
| Car Loan | | |
| (Hypothecated Loan on Car from Magma Fincorp) | - | 128,020 |
| (Hypothecated Loan on Car from KMPL) | 2,980,689 | 3,654,256 |
| | 2,980,689 | 3,782,276 |
| Note 2.4 Trade Payables | | |
| Client Balances | - | 497,500 |
| | - | 497,500 |
| Note 2.5 Other Current Liabilities | | |
| Cash Margin Deposits | 735,500 | 735,500 |
| Duties & Taxes | (59,354) | 131,610 |
| Client Dues | - | 4,345,334 |
| Other Payables | 158,318 | 40,750 |
| | 834,464 | 5,253,194 |
| Note 2.6 Short Term Provisions | | |
| Provision For Taxation | 4,625,863 | 4,380,186 |
| | 4,625,863 | 4,380,186 |



Consolidated Notes on Financial Statement for the Period ended 31st March 2016
(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|--|----------------------|----------------------|
| NON CURRENT ASSETS | | |
| Note 2.9 Long Term Loans & Advances | | |
| Deposits With Exchanges | 26,424,174 | 58,224,174 |
| | 26,424,174 | 58,224,174 |
| CURRENT ASSETS | | |
| Note 2.11 Trade Receivables | | |
| More than six months | 6,639,733 | 6,630,107 |
| Others | 33,200,000 | 16,665 |
| | 39,839,733 | 6,646,772 |
| Note 2.12 Cash & Cash Equivalents | | |
| Cash-in-hand (As Certified By the Directors) | 1,742,971 | 4,675,562 |
| Balance with Scheduled Bank | 20,525,780 | 967,941 |
| F.D. With Scheduled Banks (Maturing Within One Year) | 73,100,000 | 96,600,000 |
| | 95,368,751 | 102,243,503 |
| Note 2.13 Short Term Loans & Advances | | |
| Advances Recoverable in cash or for value to be received | 14,926,267 | 3,380,193 |
| Other Short Term Advances | 8,009,377 | 14,658,824 |
| Advance Payment of Income Tax & TDS | 7,631,844 | 6,540,309 |
| | 30,567,488 | 24,579,326 |

GCM SECURITIES LIMITED



Consolidated Notes on Financial Statement for the Period ended 31st March 2016

(All amounts in ` except share data and unless otherwise stated)

| | As at 31/ Mar/ 16 | As at 31/ Mar/ 15 |
|---|----------------------|----------------------|
| Note 2.14 Operating Income | | |
| Brokerage | 437,522 | 1,179,243 |
| Sales/adjustment of Shares | - | 9,131,600 |
| Speculation Profit / Loss | - | 11,184 |
| Short Term Capital Gain | 2,556,466 | 6,260,709 |
| Long Term Capital Gain | - | 1,074,420 |
| Underwriting Commission | - | 1,483,326 |
| Sales of Shares | 13,728,513 | - |
| Dividend Income | 249,007 | 109,828 |
| | 16,971,508 | 19,250,310 |
| Note 2.15 Other Income | | |
| Interest on Fixed Deposit TDS Rs.1091535 /- | 10,059,945 | 13,102,568 |
| Misc. Income | 1,629 | 3,717 |
| Bond Interest | 1,057,685 | 833,810 |
| | 11,119,259 | 13,940,095 |
| Note 2.16 Purchase of Stock in Trade | | |
| Purchases of Stock | 19,975,806 | 12,993,300 |
| Direct Expenses | 41,506 | - |
| | 20,017,312 | 12,993,300 |
| Note 2.17 Stock Exchange & Other Regulatory Expenses | | |
| Annual Subscription | 17,978 | - |
| Balances Round off | 224 | 70,318 |
| Exchange Dues | 177,697 | 157,178 |
| Sebi Fees | - | 314,193 |
| VSAT & Leased Line Charges | 56,180 | 56,180 |
| | 252,079 | 597,869 |
| Note 2.18 Employee Benefit Expenses | | |
| Salary Bonus & Allowances | 1,799,508 | 1,021,300 |
| Directors Remuneration | 300,000 | 300,000 |
| Staff Welfare | 235,227 | 85,292 |
| | 2,334,735 | 1,406,592 |
| Note 2.19 FINANCE COST | | |
| Interest on Car Loan | 344,956 | 175,105 |
| | 344,956 | 175,105 |
| Note 2.20 OTHER EXPENSES | | |
| Advertisements'- News Paper | 18,935 | 47,848 |
| Payment to Auditors | - | - |
| Audit Fees | 50,000 | 40,000 |
| Certification Charges | 21,687 | 3,000 |
| Bank Charges | 18,755 | 13374 |
| Business Promotion Expenses | - | 598,317 |
| Depository Charges | 190,671 | 809,394 |
| Donation | - | 125,000 |
| Electricity Charges | 138,760 | 140,770 |
| Filling Fees | 10,600 | 7,800 |
| General Charges | 299,171 | 132,514 |
| Insurance Charges | 98,693 | 8,806 |
| License Fee | 94,696 | 6,300 |
| Office Rent | 360,000 | 360,000 |
| Postage & Courier | 100,518 | 72,185 |
| Printing & Stationery | 150,770 | 97,604 |
| Professional Fee | 71,200 | 74,141 |
| Rates & Taxes & Stamp Charges | - | 201,905 |
| Registrar's & Transfer Agent fee | 32,079 | 48,316 |
| Repair & Maintenance-Computers | 74,685 | 103,734 |
| Repair & Maintenance-Others | 237,377 | 114,827 |
| Telephone Charges | 522,388 | 466,415 |
| Travelling Expenses | 744,252 | 682,758 |
| | 3,235,237 | 4,155,008 |
| Note 2.21 | | |
| Earning Per Share | | |
| Profit/ (Loss) after Tax | 1,460,229 | 10,711,788 |
| Weighted Average No. of Eq.Shares o/s during the year | 189,960,000 | 189,960,000 |
| Face Value of Equity Shares | 1 | 10 |
| Basic Earning per share | 0.01 | 0.06 |
| Diluted Earning per share | 0.01 | 0.06 |



Consolidated Notes on Financial Statement for the Period ended 31st March 2016
(All amounts in ₹ except share data and unless otherwise stated)

Note 2.22

The Trade Receivable of Rs.66.30 Laacs from GCM Commodity & Derivatives Ltd. Is on account of settlement dues from National Spot Exchange Ltd.

Note 2.23

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amount unpaid as at the year end together with interest paid/payable as required under the said act, have not been given.

Note. 2.24

In accordance with the requirement under the Accounting Standard - 22 "Accounting for taxes on Income" the company has accounted for deferred Tax during the year. Consequently the net deferred tax Liability of ₹ 75,426/- during the year arising due to timing difference in depreciation & related items has been credited to Profit & Loss account.

Note 2.25

The Payment of Gratuity Act, 1972 is not applicable to the company as the number of permanent employees in the company are below ten, similarly no other benefits are paid. The leave encashment are paid within the year and no leave balances are carried forward. Hence AS – 15 Employee Benefit has been complied with.

Note 2.26

There are no impairment of Assets, as the management is of the opinion that the carrying value of assets is more than the realizable value as at 31st March, 2015.

Note. 2.27

Related Party Disclosures: Directors are Key Management Personnel of the Company

Directors of the Company

- 1) Inder Chand Baid
- 2) Manish Baid
- 3) Samir Baid

Other Related entities:

- 1) Global Capital & Infrastructure Ltd.
- 2) Cadillac Vanijya Private Limited
- 3) Silverpearl Hospitality & Luxury Spaces Ltd.
- 4) Chello Comtrade Ltd.
- 5) GCM Capital Advisors Ltd.
- 6) GCM Commodities & Derivatives Ltd.
- 7) Voltaire Leasing & Finance Limited
- 8) Purplkite Innovations Private Limited

Remuneration paid to Directors.

- | | |
|----------------|--------------------|
| 1) Manish Baid | 300000/- per annum |
|----------------|--------------------|

Note 2.28

Other additional information to be disclosed by way of Notes to Statement of Profit and Loss

Quantitative Details of trading items

| Shares | Current Year | Previous Year |
|---|----------------|----------------|
| Opening Stock | 409,564 | 339,564 |
| Less Transfer to Investment | - | - |
| Purchase | 582,800 | 734,000 |
| Sales | 635,800 | 664,000 |
| Consolidation/spilt/bonus of shares during the year | - | - |
| (Khoobsurat Ltd. Split from Rs.10/- to Rs.1/- Per Shares Old Stock 15600 New Stock 156000) | 140,400 | - |
| Closing Stock | 496,964 | 409,564 |

Note 2.29

The Company has only one reportable segment namely Share Broking & Self trading in investment products and accordingly disclosures regarding segment reporting are not being made separately.

Note 2.30

Details of Loans given, Investments made, guarantees given covered under section 186(4) of The Companies Act, 2013. Loans given and investments made are disclosed with respected notes, further no guarantee has been given by the Company.

Note 2.31

Previous year's figures have been re-arranged and re-grouped wherever considered necessary.

As per our Report of even date
For Bharat D. Sarawgee & Co.
Chartered Accountants
Firm's Registration Number 326264E

Bharat D. Sarawgee
Partner
Membership Number: 061505
Place: Kolkata
Dated: 30th May, 2016

For and on behalf of the Board of
GCM Securities Limited

Manish Baid
Managing Director
DIN : 00239347

Samir Baid
Director
DIN : 00243521

Shrenik Choraria
CFO

Pooja Bhartia
Company Secretary



GCM SECURITIES LIMITED

Note 2.7

FIXED ASSETS

Tangible Assets

| DESCRIPTION | GROSS BLOCK | | | | | DEPRECIATION | | | | | NET BLOCK | |
|---------------------------|-------------------------|----------------|----------|-------------------------|-------------------------|----------------|-------------------|-----------------------------------|------------------------|-------------------------|-------------------------|------------------|
| | AS AT APRIL 01, 2015 | ADDITIONS | SALES | AS AT March 31, 2016 | AS AT APRIL 01, 2015 | Sales Adjusted | FOR THE PERIOD | Charge to Retained Earnings | UPTO March 31, 2016 | AS AT March 31, 2016 | AS AT MARCH 31, 2015 | |
| TANGIBLE ASSETS | | | | | | | | | | | | |
| Plant & Machinery | 94,629 | - | - | 94,629 | - | - | - | - | - | 94,629 | 94,629 | 94,629 |
| Motor Car | 5,931,559 | - | - | 5,931,559 | 1,219,264 | - | 1,471,650 | - | 2,690,914 | 3,240,645 | 4,712,295 | 4,712,295 |
| Data Processing Equipment | 282,102 | - | - | 282,102 | 60,769 | - | 77,760 | - | 138,529 | 143,573 | 221,333 | 221,333 |
| Servers & Network | - | 142,500 | - | 142,500 | - | - | 41,160 | - | 41,160 | 101,340 | - | - |
| Furniture & Fixture | 340,451 | - | - | 340,451 | 338,682 | - | - | - | 338,682 | 1,769 | 1,769 | 1,769 |
| Total | 6,648,741 | 142,500 | - | 6,791,241 | 1,618,715 | - | 1,590,570 | - | 3,209,285 | 3,681,956 | 5,030,026 | 5,030,026 |
| PREVIOUS YEAR | 13,304,950 | 5,443,573 | - | 18,748,523 | 12,541,520 | - | 946,799 | 230,178 | 13,718,497 | 5,030,026 | 763,430 | 763,430 |



GCM SECURITIES LIMITED

Note: 2.8

INVESTMENTS (AT COST)

| | As at 31st March 2016 | | As at 31st March 2015 | |
|---|-----------------------|--------------------|-----------------------|--------------------|
| | Quantity Rs. | Value Rs. | Quantity Rs. | Value Rs. |
| QUOTED | | | | |
| Non - Current | | | | |
| Investments in Associates | | | | |
| 1 GCM Capital Advisors Ltd. Of ` 10 each | 6,090,000 | 121,500,000 | 6,090,000 | |
| Less: Goodwill on consolidation | | 60,600,000 | | |
| Add: Share of Profit/(Loss) post-acquisition | | 2,049,544 | | |
| Add: Share of Profit/(Loss) during the year (Net) Value | | 192,650 | | |
| | | 63,142,194 | | 121,500,000 |
| 2 GCM Commodity & Derivatives Ltd. Of rs. 10 each | 2,625,500 | 52,510,000 | 2,625,500 | |
| Add: Capital reserve on consolidation | | 28,880,500 | | |
| Add: Share of Profit/(Loss) post-acquisition | | 1,304,441 | | |
| Add: Share of Profit/(Loss) during the year (Net) value | | 332,417 | | |
| | | 83,027,358 | | 52,510,000 |
| Investments in Other Companies | | | | |
| 1 Ashapur Minechem Ltd. | 200 | 14,360 | 200 | 14,360 |
| 2 Bharati Airtel Ltd. | 500 | 177,350 | 500 | 177,350 |
| 3 Coal India Ltd. | 17 | 4,900 | 17 | 4,900 |
| 4 Dr. Reddy's Laboratories Ltd. | 500 | 1,958,194 | - | - |
| 5 Eicher Motors Ltd. | 75 | 1,372,927 | - | - |
| 6 Global Capital Markets& Infrastructure Ltd | 2,800 | 15,110 | 2,800 | 15,110 |
| 7 Goldbees | 15,000 | 2,979,118 | 15,000 | 2,979,118 |
| 8 GVK Power & Infrastructure Ltd. | 15,000 | 236,250 | 15,000 | 236,250 |
| 9 Infosys Ltd. | 2,060 | 2,539,147 | 2,060 | 2,539,147 |
| 10 ING Vysya Bank Ltd. | - | - | 16,974 | 14,232,812 |
| 11 Indian Oil Corporation Ltd. | 1,000 | 393,441 | - | - |
| 12 KDJ Holidayscapes & Resorts Ltd. | 68,500 | 6,041,977 | 68,500 | 6,041,977 |
| 13 Kirloskar Ferrous Industries Ltd. | 10,000 | 496,000 | 10,000 | 496,000 |
| 14 Kirloskar Oil Engines Ltd. | 2,500 | 600,625 | 2,500 | 600,625 |
| 15 Kirloskar Industries Ltd. | 125 | 78,125 | 125 | 78,125 |
| 16 Maruti Suzuki India Ltd. | 500 | 2,237,528 | | |
| 17 Mahanagar Telephone Nigam Ltd. | 3,200 | 47,104 | 3,200 | 47,104 |
| 18 Navin Fluorine International Limited | 100 | 59,100 | 100 | 59,100 |
| 19 Power Grid Corporation of India Ltd. | 186 | 25,612 | 186 | 25,612 |
| 20 Reliance Infrastructure Ltd. | 113 | 81,501 | 113 | 81,501 |
| 21 Reliance Industries Ltd. | 2,525 | 2,306,714 | 2,525 | 2,306,714 |
| 22 Reliance Power Ltd. | 371 | 23,299 | 371 | 23,299 |
| 23 SBIN N5 | 1,063 | 11,749,780 | 838 | 9,125,348 |
| 24 State Bank of India | 5,000 | 1,186,050 | - | - |
| 25 Tata Power Co. Ltd. | 210 | 18,512 | 210 | 18,512 |
| 26 Tata Steel Ltd. | 100 | 45,960 | 100 | 45,960 |
| 27 Tata Teleservices (Maharashtra) Ltd. | 23,176 | 251,746 | 23,176 | 251,746 |
| 28 Va Tech Wabag Ltd. | 1,000 | 1,587,340 | 1,000 | 1,587,340 |
| | 8,871,321 | 182,697,322 | 8,880,995 | 214,998,010 |
| 29 Gold Biscuits | | 762,397 | | 762,397 |
| | - | 762,397 | - | 762,397 |
| | | | | |
| | 8,871,321 | 183,459,719 | 8,880,995 | 215,760,407 |



| GCM SECURITIES LIMITED | | | | | |
|------------------------|--------------------------------|-------------------------|---------------------|-------------------------|---------------------|
| Notes:2.10 | | | | | |
| Details of Inventories | | | | | |
| Sl. No. | Particulars | As at 31st March - 2016 | | As at 31st March - 2015 | |
| | | Quantity Nos. | Value Rs. | Quantity Nos. | Value Rs. |
| 1 | Aanchal Ispat Ltd. | - | - | 270,000 | 3,172,500.00 |
| 2 | Albert David Ltd. | 2,000 | 40,715.00 | 2,000 | 40,715.00 |
| 3 | Central Bank | 964 | 47,792.00 | 964 | 47,792.00 |
| 4 | Global Capital Markets Ltd | 121,000 | 447,700.00 | 121,000 | 982,520.00 |
| 5 | Khoobsurat Ltd. | 15,600 | 260,000.00 | 15,600 | 260,000.00 |
| 6 | Ojas Asset Reconstruction Ltd. | 217,000 | 4,784,850.00 | - | - |
| GRAND TOTAL | | 356,564 | 5,581,057.00 | 409,564 | 4,503,527.00 |



GCM Securities Limited

CIN: L67120WB1995PLC071337

Regd. Office : 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata 700001
 Tel : +91 33 22481053, Email : gcmsecu.kolkata@gmail.com; Website : www.gcmsecuritiesltd.com

Form No. MGT – 11, PROXY FORM / BALLOT FORM

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2015)

Name of the Member _____

Registered Address _____

Folio No. / DP/Client ID _____ Email ID _____

I/We being the members of _____ Shares of GCM Securities Ltd., hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him
2. _____ having email Id _____ Signature _____ or failing him
3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Thursday, 29th September 2016 at 10.00 A.M. and at any adjournment thereof in respect of such resolution(s) as are indicated below :

| Ordinary Business : | | For | Against |
|---------------------|--|-----|---------|
| 1. | Adoption of Financial Statements for the year ended March 31, 2016 | | |
| 2. | Ratification for the Appointment of M/s. Bharat D. Sarawgee & Co., Chartered Accountants, as Auditors and to fix their remuneration. | | |
| Special Business : | | | |
| 3. | Re-Appointment of Mr. Manish Baid as a Managing Director of the Company | | |

Signed this _____ day of _____ 2016

Sign. of Shareholder _____ Sign. of Proxy _____

Affix
Revenue
Stamp
₹ 1/-



GCM Securities Limited

CIN: L67120WB1995PLC071337

Regd. Office : 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata 700001
Tel : +91 33 22481053, Email : gcmsecu.kolkata@gmail.com; Website : www.gcmsecuritiesltd.com

ATTENDANCE SLIP

Registered Folio No. /DP ID/Client ID _____

Name & Address of Share Holder _____

I/We hereby record my/our presence at the 21ST Annual General Meeting of the Company at its Registered Office on Thursday, 29th September 2016 at 10.00 A.M.

Members' Folio/DP ID/Client ID

Member/Proxy's Name in Capital

Member/Proxy's Signature

Please complete the Folio/DP ID/Client ID and Name, sign this Attendance Slip and hand it over at the Attendance verification counter at the Entrance of the Meeting Place.



GCM Securities Limited

CIN: L67120WB1995PLC071337

Regd. Office : 3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata 700001
 Tel : +91 33 22481053, Email : gcmsecu.kolkata@gmail.com; Website : www.gcmsecuritiesltd.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

| | | |
|------------------------------|---|-----|
| Folio No. | : | |
| PAN No. | : | |
| E-mail ID | : | |
| Telephone Nos. with STD Code | : | +91 |
| Name and Signatures | : | 1. |
| | | 2. |
| | | 3. |

Thanking you,

For **GCM Securities Limited**

S/d

I. C. Baid

DIN : 00235263

Chairman

Kolkata, May 30, 2016

If undelivered, please return to:

GCM Securities Limited

3B, Lal Bazar Street, Sir R N M House, 5th Floor, Kolkata 700001, West Bengal

Tel. No. 033-22481053 / 22489908 | Email : gcmsecu.kolkata@gmail.com