



Let's talk Forex

## ***Si Capital & Financial Services Limited***

*Where Forex standards are set, not Just met*

CIN : L67190TN1994PLC029151

08.09.2020

To  
The General Manager - DCS  
Listing Operations – Corporate Service Dept.  
BSE Ltd.

**Scrip Code: 530907**

Dear Sir/ Madam,

### **Sub: Annual Report**

We hereby inform you that Twenty Sixth Annual General Meeting (AGM) of members of the Company for the Financial Year 2019-2020 will be held on Wednesday, September 30, 2020 at 3.00 PM IST through Video Conferencing/ Other Audio Visual Means. The 26<sup>th</sup> Annual Report is enclosed herewith.

26<sup>th</sup> Annual Report of the Company may be accessed through the Company's website at <http://www.sicapital.co.in/>

Kindly take the same on record.

Thank You

For **S.I. Capital & Financial Services Limited**

**ANEETTA C VILSON**  
**Company Secretary & Compliance Officer**

**S.I. CAPITAL & FINANCIAL SERVICES LTD.**



**Twenty Sixth Annual Report 2019-2020**

**Board of Directors**

**Executive Directors**

Mr. T B Ramakrishnan	-	Chairman
Mr. Ramanathan Anchery	-	Additional Director
Dr. Anil Menon	-	Additional Director
Mr. Sreeram Kamalapriya Sreedharan	-	Independent Director
Mr. Rajesh Narayan Pillai	-	Independent Director

**Board Committees**

**Audit Committee**

Mr. Sreeram Kamalapriya Sreedharan	-	Chairman
Dr. Anil Menon	-	Member
Mr. Rajesh Narayan Pillai	-	Member

**Nomination & Remuneration Committee**

Mr. Rajesh Narayan Pillai	-	Chairman
Mr. Sreeram Kamalapriya Sreedharan	-	Member
Mr. T B Ramakrishnan	-	Member

**Stakeholders Relationship Committee**

Mr. Rajesh Narayan Pillai	-	Chairman
Mr. T B Ramakrishnan	-	Member
Mr. Ramanathan Anchery	-	Member

**Independent Directors Committee**

Mr. Rajesh Narayan Pillai	-	Chairman
Mr. Sreeram Kamalapriya Sreedharan	-	Member

**Risk Management Committee**

Mr. Ramanathan Anchery	-	Chairman
Mr. T B Ramakrishnan	-	Member

**Chief Financial Officer**

Ms. Jitha Chummar

**Statutory Auditors**

CA A.M.Thomas  
Chartered Accountant,  
Membership No. 22119,  
0/60, Cheran Street, Parri Nagar, Ashok Nagar,  
Chennai 600 083 Ph : 044 28548628

**Registered Office**

64, Montieth Road,  
Egmore, Chennai – 600008, Tamil Nadu  
Ph: 044-28415439/ 42145840, E-mail: info@sicapital.co.in  
Website: www.sicapital.co.in  
CIN : L67190TN1994PLC029151

**Company Secretary**

Ms. Aneetta C Vilson

**Share Transfer Agents**

GNSA Infotech Ltd  
Nelson Chambers, Block F,  
4th Floor, 115, Nelson Manickam Road,  
Aminthakarai, Chennai – 600029  
Ph: 044-4296 2025

**Shares Listed with**

BSE Limited

\*The Board of Directors decided to change the Registrar and Share Transfer Agent of the Company from GNSA Infotech Private Limited to SKDC Consultants Limited at its meeting held on May 19, 2020.

## NOTICE OF 26<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the members of S.I. Capital & Financial Services Limited ("the Company") will be held on Wednesday, September 30, 2020 at 3.00 P.M. through Video Conferencing / Other Audio Visual Means ("VC/OAVM") to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2020 and the report of the Directors and Auditors thereon.
2. To appoint Statutory Auditor and fix remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. AYYAR & CHERIAN, Chartered Accountants (Firm Registration No. 000284S), be and is hereby appointed as Statutory Auditor of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, at a remuneration of Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand only) per annum plus applicable taxes, out of pocket expenses in connection with Statutory Audit of the Company and other related services.

**"RESOLVED FURTHER THAT** the board of the company be and is hereby authorised to revise the above mentioned remuneration on an yearly basis based on the recommendation of audit committee"

### SPECIAL BUSINESS

3. **Appointment of Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072) as a Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072) who was appointed as an Additional Director of the Company with effect from October 31, 2019 pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a Notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

4. **Appointment of Mr. Ramanathan Anchery (DIN: 02415497) as a Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ramanathan Anchery (DIN: 02415497) who was appointed as an Additional Director of the Company with effect from October 31, 2019 pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a Notice in writing from a Member, pursuant to the provisions of Section

160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

**5. Appointment of Dr. Anil Menon (DIN: 02390719) as a Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Anil Menon (DIN: 02390719) who was appointed as an Additional Director of the Company with effect from October 31, 2019 pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a Notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

**6. Appointment of Mr. Sreeram Kamalpriya Sreedharan (DIN: 06811964) as a Non-Executive - Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), Mr. Sreeram Kamalpriya Sreedharan (DIN: 06811964) who was appointed as an Additional Director in the Capacity of Independent Director in terms of Section 161 of the Act, be and is hereby appointed as Non-Executive – Independent Director of the Company, not liable to retire by rotation, for a tenure of 5 consecutive years with effect from July 22, 2020.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**7. Appointment of Mr. Rajesh Narayan Pillai (DIN: 07585805) as a Non-Executive - Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), Mr. Rajesh Narayan Pillai (DIN: 07585805) who was appointed as an Additional Director in the Capacity of Independent Director in terms of Section 161 of the Act, be and is hereby appointed as Non-Executive – Independent Director of the Company, not liable to retire by rotation, for a tenure of 5 consecutive years with effect from July 22, 2020.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**8. Increase of Authorised Share Capital of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules framed thereunder, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 3,50,00,000/- (Rupees Three Crores and Fifty Lakhs only) divided into 35,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 equity shares of Rs. 10/- (Rupees Ten only) each by creation of additional 25,00,000 (Twenty-Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**9. Alteration of Capital Clause of Memorandum of Association of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules framed thereunder, the consent of the members of the Company be and is hereby accorded to substitute Clause V of the Memorandum of Association of the Company with the following Clause:

V. The Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**10. Alteration of Articles of Association of the Company**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) and the Rules framed thereunder, the consent of the members of the Company be and is hereby accorded to substitute Article 7 of the Articles of Association of the Company with the following Article:

Article 7: The Authorised Share Capital of the Company shall be in line with Clause V, i.e., Capital Clause, of the Memorandum of Association of the Company.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

**11. Approval to borrow in excess of the paid-up share capital and free reserves and securities premium of the Company under Section 180(1)(c) of the Companies Act, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, approval of the Company be and is hereby accorded to the Board of Directors of the Company (herewith referred to as the Board which expression shall also include a Committee thereof), to borrow (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), in excess of the paid-up share capital, free reserves and securities premium account, including the monies already borrowed by the Company upto a limit of outstanding aggregate value which shall not exceed Rs. 42,00,00,000/-(Rupees Forty-Two Crores Only) at any time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised and empowered to do all such acts, deeds, matters and things, arrange, give such directions as may be deemed necessary or expedient, or settle the terms and conditions of such instrument, securities, loan, debt instrument as the case may be, on which all such moneys as are borrowed, or to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit, and to execute all such documents, instruments and writings as may be required to give effect to this Resolution and for matters connected therewith or incidental thereto, including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

**12. Approval to create charge/mortgage over the properties of the Company for the purpose of borrowing in the terms of Section 180(1)(a) of the Companies Act, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder including any statutory modifications or re-enactments thereof for the time being in force, and the Articles of Association of the Company, the company hereby accords its consent to mortgage and/or charge in addition to the mortgages/ charges created/ to be created by the company in such form and manner and such ranking and at such time and on such terms as the Board may determine all or any of the movable and/or immovable properties of the company both present and future and/ or the whole or any part of the undertaking of the company in favour of the lender, agent, trustees for securing the borrowings of the company availed/to be availed by way of loan in foreign currency and/or in rupee currency and securities comprising of fully/partly convertible debentures and/or secured premium notes and/or floating rates notes, bonds or other debt instruments issued/ to be issued by the company from time to time in one or more tranches up to an aggregate limit of Rs. 42,00,00,000/-(Rupees Forty-Two Crores Only) as approved under Section 180(1)(c) of the Companies Act, 2013 together with interest at the respective agreed rates, additional interest and in case of default accumulated interest, liquidated damages, commitment charges on pre-payment, remuneration of the agents and/or trustees, premium if any on redemption, all other costs, charges and expenses including any increase as a result of devaluation, revaluation, fluctuation in the rates of exchange and all other moneys payable by the company in terms of the respective loan agreement, debentures, trust deed or any other document entered into/to be entered into between the company and the lenders, investors, agents and/or trustees in respect of the said loans, borrowings, debentures and continuing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the board of directors or any committees thereof and the lenders, agents and/or trustees.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorised to finalize the documents and such other agreements for creation of charge as aforesaid and to do

all such acts, deeds, matters and things as may be necessary and expedient and also to authorise/ delegate its directors/ officers for giving effect to the above resolution.”

**13. Ratification of Remuneration paid to Mr. Sreeram Gopinathan Nair, who has resigned from the position of Managing Director of the Company**

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee and pursuant to the provisions of sections 196,197, 198 and other applicable provisions , if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of Companies Act, 2013 and subject to the provisions of Articles of Association of the Company, the remuneration of Rs. 3,00,000 (Rupees Three Lakhs Only) which was paid to Mr. Sreeram Gopinathan Nair who has resigned from the position of Managing Director of the Company be and is hereby ratified by the members of the Company.”

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020  
Chennai



**Notes:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated May 12, 2020 permitted holding of the Annual General Meeting ('AGM') through VC facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC hereinafter called as 'e-AGM'.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the company. Since the AGM is being held in accordance with the Circulars through VC/OAVM, the facility for appointment of proxies by the members will not be available for the e-AGM.
3. Statement of material facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item Numbers 3 – 13 are annexed hereto and forms part of this Notice.
4. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the Statutory Auditors and Directors seeking appointment / reappointment at the AGM, forms part of this Notice.
5. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
6. Since the AGM is held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members are requested to send a certified copy of the Board resolution authorizing their representative to attend the meeting by email to [info@sicapital.co.in](mailto:info@sicapital.co.in).
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2020. Members seeking to inspect such documents can send an email to [info@sicapital.co.in](mailto:info@sicapital.co.in).
9. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP).
10. Members holding shares in physical form are requested to approach a Depository Participant for dematerializing the shares so that the shareholding particulars can be electronically kept and the loss of certificate, etc. can be avoided. Furthermore, SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 notified on 8th June, 2018 states that w.e.f. 5th December 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
11. In compliance with Section 108 of the Act, read with the corresponding Rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically

through the electronic voting (“e-voting”) facility provided by the Central Depository Services (India) Limited (CDSL). The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed CS Satheesh.V, Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
13. The e-voting period commences on Sunday, September 27, 2020 at 9:00 AM and ends on Tuesday, September 29, 2020 at 5:00 PM. During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 23, 2020 may cast their votes electronically. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on September 23, 2020.
14. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [green@skdc-consultants.com](mailto:green@skdc-consultants.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he / she is already registered with CDSL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
15. In compliance with the Circulars, the Annual Report 2019-20, the Notice of the 26th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s). Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company’s RTA, S.K.D.C. Consultants Limited (e-mail: [green@skdc-consultants.com](mailto:green@skdc-consultants.com)) to receive copies of the Annual Report 2019-20 in electronic mode.
16. Members may also note that the Notice of the 26th AGM and the Annual Report 2019-20 will also be available on the Company’s website, [www.sicapital.co.in](http://www.sicapital.co.in), websites of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
17. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

18. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA at the address mentioned at point 11 of the notice. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14.
19. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL, and RTA and will also be displayed on the Company's website at [www.sicapital.co.in](http://www.sicapital.co.in).
20. For any query/grievance connected with the voting by electronic means kindly refer the FAQ portion in CDSL website and e-voting user manual for members is available at the downloads section of [www.evotingindia.com](http://www.evotingindia.com) or may contact CDSL at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and members may also contact CS Aneetta C Vilson, Compliance officer, e-mail: [info@sicapital.co.in](mailto:info@sicapital.co.in) or Mr K. Jayakumar, SKDC Consultants Limited, Registrar and Transfer Agent, Ph: , E-mail:[info@skdc-consultants.com](mailto:info@skdc-consultants.com)
21. The Board has decided to change the Registrar & Share Transfer Agents of the Company from GNSA Infotech Private Limited to SKDC Consultants Limited at its meeting held on May 19, 2020.

**THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- i. The voting period begins on 27th September 2020 9.00 AM and ends on 29th September 2020 5.00 PM.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 23rd September 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" module.
- v. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

	For Shareholders 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)  Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by RTA or contact RTA.
Dividend Bank Details  OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <S.I.CAPITAL& FINANCIAL SERVICES LIMITED> on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DSCRIPTION" 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA email id. green@skdc-consultants.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to RTA email id. green@skdc-consultants.com.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@sicapital.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@sicapital.co.in. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Note for Non – Individual Shareholders and Custodians**

1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. 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.
4. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
5. 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.
6. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [info@sicapital.co.in](mailto:info@sicapital.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No.2**

The Members of the Company at the Annual General Meeting (‘AGM’) held on September 28, 2015 approved the appointment of Mr. A M Thomas, Chartered Accountants, as the Statutory Auditor of the Company for a period of five years from the conclusion of the said AGM. Mr. A M Thomas will complete his present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration for conducting the audit for the financial year 2019-20 is Rs. 1,18,000/- plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred. The Board/ Audit Committee were authorized by the members to fix the remuneration of the Statutory Auditors.

The Board of Directors of the Company, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of M/s. Ayyar & Cherian, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 31st AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of M/s. Ayyar & Cherian as set out in the Resolution relating to their appointment.

## S.I. Capital & Financial Services Ltd., Chennai

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the NBFC segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Ayyar & Cherian to be best suited to Company.

M/s. Ayyar & Cherian, Chartered Accountants, established in 1975, is a full-service firm of providing various value added expertise with over 40 years of experience and spread across 9 offices in South-India.

M/s. Ayyar & Cherian has given its consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 2.

The Board recommends this Resolution for your approval.

### **Item No. 3**

The Board of Directors has appointed Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072) as an Additional Director at its meeting held on October 31, 2019 subsequent to the takeover of the Company by Sharewealth Securities Limited pursuant to Section 161 of the Companies Act, 2013 ("Act").

In terms of the Section 161 of the Act, Mr. Thandassery Balachandran Ramakrishnan holds office only upto the date of this AGM and shall be appointed as a Director by the members. A notice under Section 160 of the Act has been received from a member proposing his candidature as a Director.

Mr. Thandassery Balachandran Ramakrishnan has expertise in stock broking field in handling Margin/ IPO funding etc. The Board of Directors believe that he has exceptional leadership skill to lead the company in the coming years.

Additional information in respect of Mr. Thandassery Balachandran Ramakrishnan, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

The Board considers the business in Item No. 3 as unavoidable to be considered at the e-AGM and commends the said resolution for approval by members by passing an Ordinary Resolution.

No Director, Key Managerial Personnel or their relatives except Mr. Thandassery Balachandran Ramakrishnan, to whom the resolution relates, in any way, is concerned or interested, financially or otherwise, in this Resolution.

### **Item No. 4**

The Board of Directors has appointed Mr. Ramanathan Anchery (DIN: 02415497) as an Additional Director at its meeting held on October 31, 2019 subsequent to the takeover of the Company by Sharewealth Securities Limited pursuant to Section 161 of the Companies Act, 2013 ("Act").

In terms of the Section 161 of the Act, Mr. Ramanathan Anchery holds office only upto the date of this AGM and shall be appointed as a Director by the members. A notice under Section 160 of the Act has been received from a member proposing his candidature as a Director.

Mr. Ramanathan Anchery has expertise in specific functional areas and is an eminent personality in his respective fields. The Board considers that the continued association would be of immense benefit to the Company.

Additional information in respect of Mr. Ramanathan Anchery, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

## S.I. Capital & Financial Services Ltd., Chennai

The Board considers the business in Item No. 4 as unavoidable to be considered at the e-AGM and commends the said resolution for approval by members by passing an Ordinary Resolution.

No Director, Key Managerial Personnel or their relatives except Mr. Ramanathan Anchery, to whom the resolution relates, in any way, is concerned or interested, financially or otherwise, in this Resolution.

### Item No. 5

The Board of Directors has appointed Dr. Anil Menon (DIN: 02390719) as an Additional Director at its meeting held on October 31, 2019 subsequent to the takeover of the Company by Sharewealth Securities Limited pursuant to Section 161 of the Companies Act, 2013 ("the Act").

In terms of the Section 161 of the Act, Dr. Anil Menon holds office only upto the date of this AGM and shall be appointed as a Director by the members. A notice under Section 160 of the Act has been received from a member proposing his candidature as a Director.

Dr. Anil Menon has developed sharp business acumen especially in stock broking in addition to his career as a Doctor. The Board believes that his multi tasking and experience of over a decade would be beneficial to the Company in the coming years.

Additional information in respect of Dr. Anil Menon, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

The Board considers the business in Item No. 5 as unavoidable to be considered at the e-AGM and recommends the said resolution for approval by members by passing an Ordinary Resolution.

No Director, Key Managerial Personnel or their relatives except Dr. Anil Menon, to whom the resolution relates, in any way, is concerned or interested, financially or otherwise, in this Resolution.

### Item No. 6

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Sreeram Kamalpriya Sreedharan (DIN: 06811964) as an Additional Director in the capacity of an Independent Director at its meeting held on July 22, 2020 for a tenure of 5 years w.e.f. July 22, 2020, subject to the approval of the members of the Company. He was appointed in place of Mr. Chintan Bharath Shah as he stepped down from the office of Independent Director with effect from May 27, 2020.

In terms of the Section 161 of the Act, Mr. Sreeram Kamalpriya Sreedharan holds office only upto the date of this AGM and shall be appointed as a Director by the members.

The Company has received a declaration from Mr. Sreeram Kamalpriya Sreedharan confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Sreeram Kamalpriya Sreedharan's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Mr. Sreeram Kamalpriya Sreedharan is a Company Secretary having experience of more than 10 years. The Board is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of 5 years w.e.f. July 22, 2020.

Copy of letter of appointment of Mr. Sreeram Kamalpriya Sreedharan setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode.

Additional information in respect of Mr. Sreeram Kamalpriya Sreedharan, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.



The Board considers the business in Item No. 6 as unavoidable to be considered at the e-AGM and commends the said resolution for approval by members by passing an Ordinary Resolution.

Except Mr. Sreeram Kamalpriya Sreedharan, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

**Item No. 7**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Rajesh Narayan Pillai (DIN: 07585805) as an Additional Director in the capacity of an Independent Director at its meeting held on July 22, 2020 for a tenure of 5 years w.e.f. July 22, 2020, subject to the approval of the members of the Company. He was appointed in place of Mr. Shanmugam Ramesh as he stepped down from the office of Independent Director with effect from May 27, 2020.

In terms of the Section 161 of the Act, Mr. Rajesh Narayan Pillai holds office only upto the date of this AGM and shall be appointed as a Director by the members.

The Company has received a declaration from Mr. Rajesh Narayan Pillai confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Rajesh Narayan Pillai's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Mr. Rajesh Narayan Pillai has experience of more than two decades in banking sector. His professional expertise ranges from acquisition of quality profiles, long lasting customer relations, customer profile mapping, launching of new products etc. The Board is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of 5 years w.e.f. July 22, 2020.

Copy of letter of appointment of Mr. Rajesh Narayan Pillai setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode.

Additional information in respect of Mr. Rajesh Narayan Pillai, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

The Board considers the business in Item No. 7 as unavoidable to be considered at the e-AGM and commends the said resolution for approval by members by passing an Ordinary Resolution.

Except Mr. Rajesh Narayan Pillai, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

**Item No. 8 & 9**

The existing Authorised Share Capital of the Company is Rs. 3,50,00,000/- (Rupees Three Crores and Fifty Lakhs only) divided into 35,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

In order to avoid unwarranted delay in raising fund on account of breach of Authorised Share Capital, the Board proposed to increase the limit up to which the Company can issue further Shares by enhancing the Authorised Share Capital to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

According to Section 61 of the Companies Act, 2013, the proposed increase of the Authorised Share Capital requires approval of members by way of passing Ordinary Resolution.

In order to reflect the increase of Authorised Share Capital and to conform to the requirements of the Companies Act, 2013, Clause V, i.e., Capital Clause, of Memorandum of Association shall be altered.

## S.I. Capital & Financial Services Ltd., Chennai

As per Section 13 read with Section 61 of the Companies Act, 2013, the alteration of Memorandum of Association of the Company shall require approval of the members by way of passing Ordinary Resolution.

A copy of altered Memorandum of Association is being made available for inspection by the members through electronic mode.

The Board considers the business in Item Nos. 8 & 9 as unavoidable to be considered at the e-AGM and commends the said resolutions for approval by members by passing an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 8 & 9.

### **Item No. 10**

The existing Article 7 of the Articles of Association with respect to the Authorised Share Capital of the Company states as follows:

Article 7: The Authorised Share Capital of the Company is Rs. 3,00,00,000/- (Three Crores only) divided into 30,00,000 (Thirty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

As per Section 61, authority under Articles of Association is also required to alter the Share Capital of the Company. Thus, the Board proposed to alter Article 7 of the Articles of Association of the Company in terms of Section 14 read with Section 61 of the Companies Act, 2013 by way of passing Special Resolution. A copy of altered Articles of Association is being made available for inspection by the members through electronic mode.

The Board considers the business in Item No. 10 as unavoidable to be considered at the e-AGM and recommends the said resolution for approval by members by passing a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 10.

### **Item Nos. 11 & 12**

The Company may need additional funds to meet its prospective financial needs directing towards its growth and expansion. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital, the free reserves and Securities Premium of the Company. Hence it is proposed to increase the maximum borrowing limits up to Rs. 42,00,00,000/-(Rupees Forty-Two Crores Only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company, its free reserves and Securities Premium at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

The Board considers the business in Item Nos. 11 & 12 as unavoidable to be considered at the e-AGM and commends the said resolution for approval by members by passing a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 11 & 12.

**Item No.13**

Mr. Sreeram Gopinathan Nair was appointed as the Managing Director of the Company by the Board of Directors on 31.10.2019 and his remuneration was fixed at Rs.1,00,000 per month. The Company had paid Rs.3,00,000(Rupees Three Lakhs) to him as remuneration so far and the same needs to be ratified by the members by passing an Ordinary Resolution under sections 196,197 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013.

Statement Pursuant to clause iv of section ii of Schedule V of Companies Act 2013

<b>i. General Information:</b>		
1	Nature of Industry	NBFC
2	Date or Expected Date of Commercial Production	Not Applicable
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Not Applicable
4	Financial Performance based on given indicators	Performance for 2019-20: Revenue from Operations:33.92 Lakhs Net Loss after taxes: -6.09 Lakhs EPS(Basic):(0.20)
5.	Foreign Investments or Collaborations, if any	Not Applicable
<b>ii. Information about the appointee:</b>		
1	Background details	Mr. Sreeram Gopinathan Nair has several years of experience in banking operations. Prior to this appointment, he was the MD & CEO of Dhanalakshmi Bank Limited
2.	Past remuneration	Not Applicable
3	Recognition or awards	NA
4	Job profile and his suitability	He is an eminent personality in his areas of expertise with experience of handling the responsibilities of Managing Director.
5.	Remuneration proposed	Rs,1,00,000/- per month. An amount Rs. 3,00,000/- had already been paid to the appointee by the company so far.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Proposed remuneration is commensurate with industry standards and board level positions held in similar sized and similarly positioned businesses
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	NA

**iii. Other Information**

1.	Reasons of loss or inadequate profits	Since the company is taken over by a new promoter and the business activities are yet to start in full swing
2	Steps taken or proposed to be taken for improvement	The Company had already started business operations through its various branches and by doing this, the company is expected to improve performance in terms of growth and profitability.
3	Expected increase in productivity and profits in measurable terms	The company is expecting 50% growth in business and profits during this financial year.

The Board considers the business in Item No. 13 as unavoidable to be considered at the e-AGM and recommends the said resolution for approval by members by passing an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 13.

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020

Chennai

**Annexure – A**

**Additional Information of directors seeking appointment / re-appointment as director at the 26th Annual General Meeting pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2**

**Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072)**

Date of Birth	07/05/1963
Age	57 Years
Experience	30 years of experience in stock broking business
Qualifications	BSC / NISM Certifications
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	2
Directorships held in other Companies	Managing Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Ramanathan Anchery (DIN: 02415497)**

Date of Birth	20/08/1948
Age	72 Years
Experience	More than 35 years of experience in stock broking business
Qualifications	BE – Mechanical Engineering
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	1

**S.I. Capital & Financial Services Ltd., Chennai**

Directorships held in other Companies	Non-Executive Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Dr. Anil Menon (DIN: 02390719)**

Date of Birth	01/03/1962
Age	58 Years
Experience	More than 10 years of experience in stock broking business
Qualifications	MBBS
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	1
Directorships held in other Companies	Non-Executive Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Sreeram Kamalpriya Sreedharan (DIN: 06811964)**

Date of Birth	18/07/1986
Age	34 Years
Experience	10 Years of experience in the field of Corporate Affairs
Qualifications	Company Secretaryship
Terms and Conditions of Appointment	Appointed as Non-Executive Independent Director, not liable to retire by rotation, for a tenure of 5 years w.e.f. July 22, 2020
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	22/07/2020
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil

**S.I. Capital & Financial Services Ltd., Chennai**

No. of meetings of the Board attended during the year	Not applicable
Directorships held in other Companies	Nil
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Rajesh Narayan Pillai (DIN: 07585805)**

Date of Birth	20/10/1973		
Age	47 Years		
Experience	Experience of more than 20 years in Banking Sector		
Qualifications	MBA (Marketing)		
Terms and Conditions of Appointment	Appointed as Non-Executive Independent Director, not liable to retire by rotation, for a tenure of 5 years w.e.f. July 22, 2020		
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013		
Date of first appointment on Board	22/07/2020		
Shareholding in the Company	Nil		
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil		
No. of meetings of the Board attended during the year	Not applicable		
Directorships held in other Companies	Non-Executive Director of Sungold Capital Limited		
Memberships/ Chairmanships of committees across other Companies	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Role</b>
	Sungold Capital Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Stakeholder Relationship Committee	Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

S.I.Capital & Financial Services Limited (“SI Capital”/ “the Company”) is a Non Deposit Taking Non-Systemically Important Non-Banking Financial Company registered with Reserve Bank of India (RBI). It is a Subsidiary Company of Sharewealth Securities Limited. SI Capital also possess license to carry on the business of Full Fledged Money Changing. The Company has a diversified lending portfolio covering the retail and commercial customers.

### MACRO ECONOMIC OVERVIEW

Financial Year 2019-2020 witnessed a slowdown in growth owing to a significant moderation in economic activity and outbreak of Covid -19. Recognising the economic headwinds, the Government of India has come up with substantial measures to boost investment. Even before the outbreak of Covid – 19, both the RBI and the Central Statistics Office (CSO) of the Government of India had revised the GDP growth rate downwards.

GDP growth was 5.7% in January-March 2019; fell to 5.2% in April-June 2019; then yet again to 4.4% in July-September 2019; followed by 4.1% growth in October-December 2019 and 3.1% growth in January-March 2020. The deceleration in growth was witnessed in all sectors except agriculture, mining and quarrying, and public administration and defense. Banking and Financial sector was also suffered by burgeoning NPAs.

### INDUSTRY OVERVIEW

The contribution of NBFC sector continues to grow in the financial services industry. Asset quality of NBFCs is significantly better than that of Scheduled Commercial Banks (SCB). Financial Stability Report published by Reserve Bank of India (RBI) on December 27, 2019 shows that NBFCs have outperformed SCBs on asset quality. However, the lending activity has been troubled following the defaults by IL&FS and DHFL.

Covid-19 may further accentuate the stress on NBFC sector. The RBI’s moratorium measures for customers are likely to put additional stress on many NBFCs. There is an asymmetry. On one hand, NBFCs have to offer such moratoriums to their customers; while on the other, their market borrowings must be repaid on due dates. The Covid-19 pandemic is also expected to deteriorate the asset quality of NBFCs.

### THE COMPANY

SI Capital witnessed a strong gear change in the Financial Year 2019-20 subsequent to takeover by Sharewealth Securities Limited. Income from Full Fledged Money Changing business was the main source of Income till the first half of FY 2019-20. Post takeover, the Company started to focus on NBFC activities by introducing wide range of loan products like personal loan, business loan, vehicle loan, gold loan etc.

Amidst unprecedented spread of Covid-19 pandemic, the Directors are keen to mobilize resources in the best interest of Company to deploy in core business activities. The Company is taking all possible efforts to improve the performance and achieve better results in the coming years.

### RISK MANAGEMENT

As an NBFC, SI Capital is exposed to liquidity, credit, interest and market risk. The Company has a strong risk management policy and will continue to invest in processes to build advance risk management.

A strong governance framework ensures that the Board of Directors and its committees approve risk strategies and delegates credit authorities. Risk assessment of customers is made at the time of initial appraisal for pricing and granting loans.



**SWOT ANALYSIS**

Strength The Company is virtually debt free.

Weakness The Company has low return on equity, presence accumulated losses etc.

Opportunity Untapped market potential

Threat High competition

**INTERNAL CONTROL SYSTEM**

The Company's internal control system is properly placed and strengthened taking into account the nature of business and size of operations. Internal auditors are conducting periodic audits and bring out any deviations in internal audit procedures and their observations are periodically reviewed and compliance is ensured. The audit committee is properly reviewing and monitoring this internal audit process.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on code of governance:

Company's Philosophy on Corporate Governance envisages striving for excellence in all facets of its operations through socially and environmentally acceptable means. The Company wants to be a responsible corporate citizen and share the benefits with society and also will make its customers, employees, suppliers and shareholders feel proud of their association with the Company through highest level of fairness and transparency in its dealings.

### 2. Board of Directors

#### a. Composition of the Board

As on 31st March 2020, the Company's Board comprised of 7 Directors. The Board consists of 1 Managing Director, Woman Director and 5 Non-Executive Directors, of whom 2 are Independent Directors. Details are given in the table given below. The members of the Board are well-experienced professionals and industrialists. The Composition of the Board as mentioned in Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is not applicable to the Company as the Company has not crossed the threshold mentioned in Regulation 15 of the Listing Regulations.

#### b. Category of Directors, Attendance, other Directorships and Committee Memberships

Name of Directors	Category	Attendance particulars		No. of Directorships in other Companies			No. of Committee positions held in other Companies	
		Last AGM	Board Meeting	Public Company	Private Company	Foreign Company	Member	Chairman
Ms. Suzanne Venglet	Non-Executive	yes	5	Nil	5	Nil	Nil	Nil
Mr. Sanjay Arjundas Wadhwa	Non-Executive	yes	4	2	4	Nil	Nil	Nil
Mr. Chintan Bharat Shah	Non-Executive – Independent	yes	6	Nil	2	Nil	Nil	Nil
Mr. Shanmugam Ramesh	Non-Executive – Independent	yes	5	Nil	Nil	Nil	Nil	Nil
Ms. Mary Rodrigues	Non-Executive	yes	7	Nil	6	Nil	Nil	Nil
Mr. Thandassery Balachandran Ramakrishnan	Non-Executive	NA	2	1	Nil	Nil	Nil	Nil
Mr. Ramanathan Anchery	Non-Executive	NA	1	1	Nil	Nil	1	Nil
Dr. Anil Menon	Non-Executive	NA	1	1	Nil	Nil	Nil	Nil
Mr. Sreeram Gopinathan Nair	Managing Director	NA	2	Nil	Nil	Nil	Nil	Nil

No other directors are related to each other. Exclusive meetings of the Independent Directors of the Company were held on 27th May 2019, 18th July 2019 and 23rd January, 2020 without the attendance of the Non-Independent Directors and members of the management to discuss inter alia the matters specified under Schedule IV of the Companies Act, 2013.

**c. Board Meetings**

During the year 2019 - 20, the Board met 7 times on 22nd April 2019, 27th May 2019, 18th July 2019, 19th August 2019, 21st October 2019, 31st October 2019 and 23rd January 2020. The gap between two meetings did not exceed 120 days.

**d. Brief note on Directors seeking appointment / re-appointment: - Annexure - 1**

**3. Audit Committee**

- a. The Committee is mandated with the same terms of reference as specified in Section 177 of the Companies Act, 2013 read with applicable Rules made thereunder.
- b. The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:
  1. efficiency and effectiveness of operations
  2. safeguarding of assets and adequacy of provisions for all liabilities.
  3. reliability of financial and other management information and adequacy of disclosures. compliance with all relevant statutes.

The role of the Committee includes the following:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors, and to review the manner of rotation of Statutory Auditors;
- (c) To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- (d) To approve transactions of the Company with related parties, including modifications thereto;
- (e) To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- (f) To evaluate the Company's internal financial controls and risk management systems;
- (g) To review with the management the following:
  1. Annual financial statements and Auditor's Report thereon before submission to the Board for approval;
  2. Quarterly financial statements before submission to the Board for approval;
- (h) To review the following:
  1. Management discussion and analysis of financial condition and results of operations;
  2. Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
  3. Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;

**S.I. Capital & Financial Services Ltd., Chennai**

4. System / manner of maintenance, storage, retrieval, display, print out and security of books of account of the Company maintained in the electronic form;
  5. Functioning of Whistle Blower mechanism in the Company
- c. Composition, Name of members / Chairman, Meetings held and members present during the year 2019-20:

Name of the Member	Category	Date of Meeting / Members Present				
		22.04.2019	27.05.2019	18.07.2019	21.10.2019	23.01.2020
Ms.Suzanne Venglet	Non-Executive	Yes	Yes	Yes	Yes	NA
Mr. Chintan Bharat Shah	Non-Executive - Independent	Yes	Yes	Yes	Yes	Yes
Mr. Shanmugam Ramesh	Non-Executive - Independent	Yes	Yes	Yes	Yes	Yes
Dr. Anil Menon	Non-Executive - Independent	NA	NA	NA	NA	No

- d. The Company Secretary acts as the secretary to the Committee. The Chief Financial Officer, Internal audit team and the Statutory Auditors of the Company are permanent invitees to the meeting of the Audit Committee.

**4. Nomination and Remuneration Committee:**

- a. The Committee shall formulate for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- b. The Committee shall identify the persons who are qualified to become Directors / Senior Management Personnel of the Company in accordance with the criteria laid down, recommend to the Board their appointment, the remuneration including commission, perquisites and benefits payable to the Directors and their removal. It shall also carry out the evaluation of every Director's performance
- c. Composition, Name of Members / Chairman, Meetings held and Members present during the year 2019-20:

Name of the Member	Category	Date of Meeting / Members Present			
		22.04.2019	27.05.2019	18.07.2019	31.10.2019
Mr. Sanjay Arjundas Wadhwa	Non-Executive	Yes	Yes	Yes	NA
Mr. Chintan Bharat Shah	Non-Executive - Independent	Yes	Yes	Yes	Yes
Mr. Shanmugam Ramesh	Non-Executive - Independent	Yes	Yes	Yes	Yes
Mr. Thandassery Balachandran Ramakrishnan	Non-Executive	NA	NA	NA	Yes

d. Nomination and Remuneration Policy:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors on 18th September, 2014 and again re – organised in the meeting held on 28th May 2015 and again re organized during the year, Refer Annexure I for Nomination and remuneration policy.

e. Remuneration of Directors

All the Directors are paid with sitting fees of Rs.1000/- (Rupees One Thousand only) for the Board Meetings attended by them. They have given waiver of sitting fees for all the Committee meetings and certain Board Meetings in which they are members.

The Managing Director, Ms. Mary Rodrigues is paid a monthly remuneration of Rs.10000/- (Rupees Ten Thousand Only) with effect from 10th March 2015.

Mr. Sreeram Gopinathan Nair was appointed as the Managing Director of the Company w.e.f. October 31, 2019 at a remuneration of Rs. 1,00,000/- per month. The Board recommends for ratifying the remuneration paid to him by way of passing an Ordinary Resolution. The Disclosures as required under the Companies Act, 2013 and Rules made thereunder are given in the Explanatory Statement annexed to the Notice of AGM.

f. Performance evaluation criteria

The crux of performance evaluation criteria of the Directors of the Company are their leadership skills, ability to form and execute strategies, Financial Planning/ Performance, Relationships with the Board members/ External relations, Human Resource Management skills, Industry knowledge, personal attributes, diligence, participation in company's affairs, performance in Board Committees.

**5. Stakeholders relationship committee**

Stakeholders Relationship Committee was constituted with Mr. Shanmugam Ramesh as Chairman and with Ms. Suzanne Venglet and Mr. Sanjay Arjundas Wadhwa as Members. The said Committee was again reconstituted on October 31, 2020 with Mr. Thandassery Balachandran Ramakrishnan and Mr. Ramanathan Anchery as the members due to resignation of Ms. Suzanne Venglet and Mr. Sanjay Arjundas Wadhwa.

The Committee approves the issue of new / duplicate share certificates. The Committee oversees and reviews all matters connected with transmission and other issues pertaining to shares. The Committee also looks into the investor relations / grievances and redressal of the same, on a periodical basis.

The Committee met 4 times during the year on 22nd April 2019, 27th May 2019, 18th July 2019 and 21st October 2019 wherein all members were present. Mr. Shanmugam Ramesh chaired the meetings. During the year, no investor Complaints were left unattended.

**6. General Body Meetings**

Details of last 3 AGMs are given below:

<b>Year</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolutions</b>	<b>Location</b>
2017-23rd AGM	20.09.2017	10.00 am	Nil	Conference Hall, Green Meadows 4/364A, Anna Salai Palavakkam
2018-24th AGM	17.09.2018	10.00 am	Nil	
2019-25th AGM	26.09.2019	10.00 am	Nil	

Special Resolutions passed during the year 2019-20: NIL

No resolutions were passed vide Postal Ballot during the financial year 2019-20. No special resolution is proposed to be conducted through postal ballot.

**7. Disclosures:**

- a. The Company has not entered into any materially significant related party transactions that may have potential conflict with the interest of the Company at large. Details of transactions with related parties are- A rental agreement is entered into with Ms. Mary Rodrigues, towards the office space rented for a sum of Rs. 10,000/- per month. Consequent to the expiry of the said rent agreement on December 2019, the Company has entered into a rent agreement with Ms. Suzanne Venglet for Rs. 15000/- per month. The Company has formulated a policy on related party transactions which has been placed on the website of the Company and is annexed with this report as Annexure 2.
- b. There was no instance of non-compliance by the Company on any matters relating to the capital markets, nor was there any penalty / strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters, during last three years.
- c. The Company has established a Vigil Mechanism / Whistle Blower Policy to enable Directors and employees to report their genuine concerns and grievances. The Policy provides for adequate safeguards against victimization of employees and directors who avail the vigil mechanism and direct access to the Chairman of the Audit Committee of the Company, in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman. The Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the website of the Company and the weblink thereto is <http://www.sicapital.co.in/AboutSICapital.html>.
- d. the Company has framed a Code of Conduct for the Directors and senior management personnel and the same has been uploaded on to the website of the Company and is accessible to the shareholders of the Company at <http://www.sicapital.co.in/AboutSICapital.html>.  
A declaration signed by the Chairman of the Company affirming that all the Board members and senior management personnel have complied with Code of Conduct of the Company is published in this report as Annexure - 3.
- e. Regulation 15 of Listing Regulations is applicable to the Company.
- f. There are no transfers of unclaimed shares to Demat Account pending for our Company.
- g. Certificate on Non-Disqualification of Directors obtained from Ms. Liya Antony is annexed as Annexure - 4

**8. Means of Communication**

The quarterly / annual financial results of the Company are published in News Today (English) Malaisudar (Tamil) The financial results and the annual reports of the Company are uploaded on the Company’s website: [www.sicapital.co.in](http://www.sicapital.co.in) and on the websites, [www.bseindia.com](http://www.bseindia.com). Management discussion & Analysis forms part of the Annual Report.

**9. General Shareholder Information**

- a. Annual General Meeting Date & Time : 30th September, 2020, 3.00 p.m
- b. Financial Year : 1st April 2019 to 31st March 2020
- c. Particulars of Dividend payments : NA
- d. Listing on Stock Exchanges : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400001
- e. Stock Code : BSE – Scrip Code – 530907 – Scrip Name – SICAPIT
- f. International Security Identification Number (ISIN) : INE417F01017
- g. Annual Listing Fees for the year 2019-20 has been paid by the Company to BSE Limited
- h. Annual Custody/ Issuer Fee for FY 2019-20 has been paid by the Company to NSDL & CDSL.
- i. Stock Market Data :

Month	High	Low	Total Turnover (In Rs.)
April 2019	14.7	13.3	28425
May 2019	13	13	1300
June 2019	14.25	13.65	15355
August 2019	16.1	14	112402
September 2019	17.5	15.2	195630
October 2019	18.35	18.35	1835
February 2020	18.3	15.90	98335
March 2020	15.15	14.40	4395

- j. Registrar and Transfer Agents (As on March 31, 2020):

GNSA Infotech Pvt.. Ltd.  
 Nelson Chambers, Block F, 4th Floor,  
 115, Nelson Manickam Road Aminthakarai,  
 Chennai – 600 029  
 Ph: 044-42962025

Registrar and Transfer Agents as of now:

SKDC Consultants Limited  
 Kanapathy Towers, 3rd Floor, 1391/A-1,  
 Sathy Road, Ganapathy,  
 Coimbatore – 641006, Tamil Nadu  
 Phone: 04224958995

i. Share Transfer System:

The Company's shares are required to be traded in the Stock Exchanges in dematerialised form. SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service.

m. Shareholding pattern as on 31st March 2020: Please refer Form MGT – 9

n. Distribution of Shareholding as on 31st March 2020:

SHARE HOLDING	SHARE HOLDERS NUMBER	%	SHARE HOLDING	
			Total Number of Share	Percentage
1 - 500	1230	75.79	271750	9.06
501 - 1000	197	12.14	163700	5.46
1001 - 2000	74	4.56	113500	3.78
2001 - 3000	71	4.37	179200	5.97
3001 - 4000	11	0.68	38600	1.29
4001 - 5000	13	0.80	61300	2.04
5001 - 10000	19	1.17	146400	4.88
Above 10000	8	0.49	2025550	67.52
<b>TOTAL</b>	<b>1623</b>	<b>100.00</b>	<b>3000000</b>	<b>100.00</b>

o. Dematerialisation of shares and liquidity as on 31st March 2020:

SI No	TYPE	No of Share Holders	No of Shares
1	CDSL	30	1859300
2	NSDL	239	229250
3	PHYSICAL	1354	911450
	<b>TOTAL</b>	<b>1623</b>	<b>3000000</b>

Shares of the Company can be held and traded in Electronic form. As stipulated by SEBI, the shares of the Company are accepted in the Stock Exchanges for delivery only in dematerialised form.

p. As on 31st March 2020, there are no outstanding GDRs / ADRs / Warrants or any Convertible Instruments.



**S.I. Capital & Financial Services Ltd., Chennai**

q. Address for correspondence:

Registrar & Transfer Agents	Company
SKDC Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006, Tamil Nadu Phone: 04224958995 E-mail ID: info@skdc-consultants.com	Secretarial Department, S.I. Capital & Financial Services Limited 65, Montieth Court, Montieth Road, Egmore, Chennai – 600 008 Ph: 044- 28415439/ 42145840 e-mail: info@sicapital.co.in

Website address: www.sicapital.co.in

r. Name of the Compliance Officer : CS Aneetta C Vilson

29.08.2020  
Chennai

**By order of the Board of Directors**

Sd/-  
T B Ramakrishnan  
Chairman  
DIN:01601072

**BRIEF NOTE ON DIRECTORS SEEKING APPOINTMENT****Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072)**

Date of Birth	07/05/1963
Age	57 Years
Experience	30 years of experience in stock broking business
Qualifications	BSC / NISM Certifications
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	2
Directorships held in other Companies	Managing Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Ramanathan Anchery (DIN: 02415497)**

Date of Birth	20/08/1948
Age	72 Years
Experience	More than 35 years of experience in stock broking business
Qualifications	BE – Mechanical Engineering
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	1

**S.I. Capital & Financial Services Ltd., Chennai**

Directorships held in other Companies	Non-Executive Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Dr. Anil Menon (DIN: 02390719)**

Date of Birth	01/03/1962
Age	58 Years
Experience	More than 10 years of experience in stock broking business
Qualifications	MBBS
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	31/10/2019
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil
No. of meetings of the Board attended during the year	1
Directorships held in other Companies	Non-Executive Director of Sharewealth Securities Limited
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Sreeram Kamalpriya Sreedharan (DIN: 06811964)**

Date of Birth	18/07/1986
Age	34 Years
Experience	10 Years of experience in the field of Corporate Affairs
Qualifications	Company Secretaryship
Terms and Conditions of Appointment	Appointed as Non-Executive Independent Director, not liable to retire by rotation, for a tenure of 5 years w.e.f. July 22, 2020
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board	22/07/2020
Shareholding in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil

**S.I. Capital & Financial Services Ltd., Chennai**

No. of meetings of the Board attended during the year	Not applicable
Directorships held in other Companies	Nil
Memberships/ Chairmanships of committees across other Companies	Nil

**Mr. Rajesh Narayan Pillai (DIN: 07585805)**

Date of Birth	20/10/1973		
Age	47 Years		
Experience	Experience of more than 20 years in Banking Sector		
Qualifications	MBA (Marketing)		
Terms and Conditions of Appointment	Appointed as Non-Executive Independent Director, not liable to retire by rotation, for a tenure of 5 years w.e.f. July 22, 2020		
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013		
Date of first appointment on Board	22/07/2020		
Shareholding in the Company	Nil		
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil		
No. of meetings of the Board attended during the year	Not applicable		
Directorships held in other Companies	Non-Executive Director of Sungold Capital Limited		
Memberships/ Chairmanships of committees across other Companies	<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Role</b>
	Sungold Capital Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Stakeholder Relationship Committee	Chairman

**RELATED PARTY TRANSACTIONS POLICY****1. Introduction**

This Policy has been framed by the Company pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and all other applicable listing norms with stock exchanges. This Policy applies to transactions entered into with a Related Party on or after 27th January 2016, or any modifications effected on or after 27th January 2016 to subsisting transactions with Related Parties.

**2. Definitions**

- (a) "Act" means Companies Act, 2013 including any statutory modifications or re-enactments thereof;
- (b) "Board" means Board of Directors of the Company;
- (c) "Company" means S.I.CAPITAL AND FINANCIAL SERVICES LIMITED
- (d) "Related Party" with reference to the company, means an entity where:
  - (i) Such entity is a related party as defined under section 2(76) of the Companies Act, 2013; or
  - (ii) Such entity is a related party under the applicable accounting standards.
- (e) "Related Party Transaction" means a transaction between the company and a Related Party which transaction is of the nature specified in sub-clause (a) to (g) of section 188(1) of the Companies Act, 2013, or is a related party transaction as understood under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**3. Transactions between Company & Related Parties & Materiality Threshold**

Transactions between the Company and Related Parties shall be entered into in the manner which compliant with the applicable provisions of the Companies Act, 2013 and of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. A transaction with the Related Party shall be treated as "material" if the transaction / transactions to be entered into individually or taken together with previous transaction(s) during a financial year with such Related Party exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

**4. Internal Processes in regard to Related Party Transactions**

The Company shall, with the approval of the Board of Directors, establish appropriate internal processes for the purpose of identification of Related Parties and any transactions with them, determination of whether the transaction(s) is in ordinary course of business, whether the transaction(s) is on an arm's length basis, monitoring "materiality" threshold, and other relevant matters to ensure adherence to this policy in entering into transactions with Related Parties.

**5. Amendment**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Agreement, Act or any law for the time being in force.

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

The Company has laid down a code of conduct for all Board members. The code of conduct is available on the website of the Company under the web link <http://www.sicapital.co.in/AboutSICapital.html>.

The declaration of the Chairman is given below:

**Declaration:**

All the member of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of the Board of Directors and senior management for the financial year ended 31st March 2020.

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020

Chennai

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

S.I.Capital & Financial Services Limited

CIN :L67190TN1994PLC029151

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of S.I.Capital & Financial Services Limited having CIN L67190TN1994PLC029151 and having registered office at 4, Montieth Road, Egmore, Chennai-600008 Tamil Nadu (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Mr. Sreeram Gopinathan Nair	05143385	31.10.2019
2	Mr. Thandassery Balachandran Ramakrishnan	01601072	31.10.2019
3	Dr. Anil Menon	02390719	31.10.2019
4	Mr. Ramanathan Anchery	02415497	31.10.2019
5	Ms. Mary Rodrigues	01778843	31.10.2019
6	Mr. Chintan Bharat Shah	08292828	30.11.2018
7	Mr. Shanmugam Ramesh	06665080	30.11.2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Liya And Associates**

Sd/-  
Liya Antony  
(Practicing Company Secretary)  
Proprietor  
ACS: 39611  
CP: 19314

29.08.2020  
Ernakulam

**DIRECTORS' REPORT**

Dear Members,

The Board of Directors of S.I.Capital & Financial Services Limited ("the Company") have pleasure in submitting the 26th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2020.

**1. FINANCIAL SUMMARY**

The financial highlights of the Company for the Financial Year ended March 31, 2020 along with previous year's figures are given below:

(Amount in Lakhs)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Gross Income	33.92	34.19
Total Expenditure	39.32	41.42
Profit Before Tax	-5.40	-7.24
Net Profit	-6.09	-7.26
Earnings per share (Basic & Diluted)	-0.20	(0.24)

**2. DIVIDEND**

In view of the loss incurred by the Company, the Board does not recommend any dividend for this year.

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

The provisions of Section 125 of the Companies Act, 2013 do not apply as no dividends were declared and paid during last years.

**4. TRANSFER TO RESERVES**

The Company has not transferred any amount to Reserves for the Financial Year 2019-2020.

**5. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:**

The Company is carrying on the business as a Non-Deposit taking Non-Banking Financial Company and a Full Fledged Money Changer under the License of Reserve Bank of India.

During 2019-2020, the Company has been taken over by Sharewealth Securities Limited which resulted in management change. The Board has decided to introduce diversified loan products to bring back the company to its core business activity. Now, the Company is focusing on Non-Banking Financial Services whereas full fledged money changing was the major source of income for many years.

Amidst unprecedented spread of Covid-19 pandemic, the Directors are keen to mobilize resources in the best interest of Company to deploy in core business activities. The Company is taking all possible efforts to improve the performance and achieve better results in the coming years.

**6. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report is attached and forms an integral part of the Annual Report. The report discusses in detail, the overall industry situation, economic developments, , outlook and state of company's affairs.



**7. REPORT ON CORPORATE GOVERNANCE**

Your Company affirms its commitment to good corporate governance policies and practices. The Report on Corporate Governance forms integral part of this Annual Report.

**8. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) 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;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**9. MEETINGS OF THE BOARD**

During 2019-20, the Board of Directors met at 7 occasions. Please refer corporate governance report for further details in this regard.

**10. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have confirmed that they meet criteria as mentioned in Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Act, 2015 by submitting a Declaration towards this end to the Company.

**11. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Board of Directors has adopted a policy on Director's Personnel and other employees including criteria for determining qualification, positive attributes, and independence of Directors as laid down by the Nomination & Remuneration Committee of the Board in compliance with the provisions of Section 178 of the Act. The Policy is also annexed to this report as Annexure I.

The Board has made a formal evaluation of its own performance, committees of the Board and Independent Directors as per the above policy and is satisfactory over its performance.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans or guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review. The particulars of Investment made by the Company are given in Note No. 5 to the Financial Statements.

**13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

Contracts / arrangements / transactions entered by the Company during the FY 2019-20 with related parties under Section 188 of the Act were in ordinary course of business and on arm's length basis. Particulars of contracts/ arrangements with related parties under Section 188 in Form AOC-2 are annexed with this report as Annexure - II .

**14. MATERIAL EVENTS SUBSEQUENT TO THE DATE OF THE FINANCIAL STATEMENT**

No material changes and commitments affecting the financial position of the Company occurred between March 31, 2020 and the date of this report. However, Sharewealth Securities Limited, the Holding Company, has transferred 365570 equity shares to Mr. Joju M J via off market transfer.

**15. SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant and material orders passed by Regulators / Court / Tribunals impacting the going concern status and company's operation in future during 2019-20.

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

The Company has taken reasonable steps to conserve energy by supporting go green initiatives. The Company follows the practice of purchasing energy efficient electrical/ electronic equipments for its operations. The Capital Investment on energy conservation equipment is nil.

The Company is making use of the technology platform to ease of operations and to provide better services to its customers.

There were no Foreign Exchange Inflow and Outflow during the year under review.

**17. RISK MANAGEMENT POLICY**

The Company has a Board of Directors approved Risk Management Policy which may be accessed on the Company's website at the link <http://www.sicapital.co.in/AboutSICapital.html>.

**18. POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**19. FORMAL ANNUAL EVALUATION**

As mandated under the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the formal annual performance evaluation of the Directors individually vis-à-vis the Board and its committees have been carried out. The manner of such evaluation has been disclosed in the Corporate Governance Report.

**20. AUDITORS' REPORT**

**a) Statutory Auditor**

Mr. A.M. THOMAS, Chartered Accountant, (Membership No. 22119) 0/60, Cheran Street, Parri Nagar, Ashok Nagar, Chennai 600 083 was appointed as the Statutory Auditor of the Company by the members to hold office till the conclusion of 26th Annual General Meeting.

The notes annexed to the Financial Statements referred in the Independent Auditors' Reports are self- explanatory and do not call for any further comments.

There were no frauds reported by the statutory auditors to Audit Committee or Board under Section 143 of the Act.

**b) Secretarial Auditor**

The Board appointed M/s. Liya & Associates, Company Secretary in practice (CP No. 19314) to conduct Secretarial Audit for the financial year 2019-20. Secretarial audit report for year ended on 31 March, 2020 as provided them is annexed to this report as Annexure – III.

The reports issued by Statutory Auditor and Secretarial Auditor do not carry any qualification, reservation, adverse remark or disclaimer.

**21. DIRECTORS AND KEY MANAGERIAL PERSONNEL CHANGE**

Ms. Suzanne Venglet (DIN: 01876633) and Mr. Sanjay Arjundas Wadhwa (DIN: 00203083) were resigned from the Board with effect from October 31, 2020.

Mr. Thandassery Balachandran Ramakrishnan (DIN: 01601072), Dr. Anil Menon (DIN: 02390719) and Mr. Ramanathan Anchery (DIN: 02415497) were appointed as the Additional Directors of the Company w.e.f. October 31, 2020.

The Board has appointed Mr. Sreeram Gopinthan Nair (DIN: 05143385) as the Managing Director of the Company w.e.f. October 31, 2019 in place of Ms. Mary Rodrigues (DIN: 01778843). Thereafter, she continued to be the Non-Executive Director of the Company.

The Board Composition as on March 31, 2020 is as follows:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>
1	Mr. Sreeram Gopinathan Nair	Managing Director
2	Mr. Thandassery Balachandran Ramakrishnan	Non-Executive Director
3	Dr. Anil Menon	Non-Executive Director
4	Mr. Ramanathan Anchery	Non-Executive Director
5	Ms. Mary Rodrigues	Non-Executive Director
6	Mr. Chintan Bharat Shah	Non-Executive Independent Director
7	Mr. Shanmugam Ramesh	Non-Executive Independent Director

The changes in the composition of the Board subsequent to March 31, 2020 are as follows:

1. Ms. Mary Rodrigues, Mr. Chintan Bharat Shah & Mr. Shanmugam Ramesh resigned from the office of Directors w.e.f. May 27, 2020;
2. Mr. Sreeram Gopinathan Nair resigned from the office of Managing Director w.e.f. June 9, 2020;
3. Mr. Sreeram Kamalapriya Sreedharan and Mr. Rajesh Narayan Pillai were appointed as Non-Executive Independent Directors of the Company w.e.f. July 22, 2020 subject to the approval of members of the Company.

Changes in Key Managerial Personnel during 2019-20 are as follows:

1. Ms. D Dhanalakshmi resigned from the office of the Company Secretary w.e.f. October 31, 2019;
2. Ms. Aneetta C Vilson was appointed as the Company Secretary & Compliance Officer w.e.f. November 1, 2019;
3. Mrs. M Danalakshmi Krishnan resigned w.e.f. March 31, 2020 as the Chief Financial Officer of the Company

Further, Mrs. Jitha Chummar was appointed as the Chief Financial Officer of the Company w.e.f. April 1, 2020

**22. SHARE CAPITAL**

The Paid Up Share Capital of the Company is Rs. 3,00,00,000/- (Rupees Three Crores only) comprising of 30,00,000 equity shares of R. 10/-.

During the year under review, the Company has not issued shares with differential voting rights, bonus shares and sweat equity shares.

The Company has not bought back any of its securities during the year. No Employee Stock Option Schemes were implemented during the year under review.

**23. DEPOSITS**

Our Company is a Non Deposit Taking NBFC. During FY 2019-20 the Company has not accepted deposits as per Chapter V of the Act.

**24. COMPLIANCE WITH NBFC REGULATION**

Your Company has complied with all the regulatory provisions of the Reserve Bank of India applicable to Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company.

**25. ANNUAL RETURN**

The extract of Annual Return in Form MGT-9 is annexed herewith as Annexure IV.

**26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any associates, subsidiary and joint ventures.

**27. DISCLOSURE**

**a) Composition of Audit Committee**

The Composition of Audit Committee is detailed in the Corporate Governance Report.

**b) Whistle Blower Policy & Vigil Mechanism**

The Company has provided adequate safeguards against victimization of employees, Directors or any other person who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. No person has been denied access to the audit committee for reporting their genuine concerns. The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's website at the link <http://www.sicapital.co.in/AboutSICapital.html>

**c) Internal Control systems and adequacy**

The Company's internal control system is properly placed and strengthened taking into account the nature of business and size of operations. Internal auditors are conducting periodic audits and bring out any deviations in internal audit procedures and their observations are periodically reviewed and compliance is ensured. The audit committee is properly reviewing and monitoring this internal audit process.

**d) Compliance with SS-1 & SS-2**

The Company has complied with the applicable provisions of Secretarial Standards relating to Meeting of the Board of Directors, SS-1, & General Meetings, SS-2.

**28. LISTING WITH STOCK EXCHANGE**

The Company has paid Annual Listing Fee for the FY 2019-20 to BSE Limited wherein the Company's shares are listed.

**29. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

A Certificate from Secretarial Auditor regarding Corporate Governance is annexed as Annexure- V.

**30. PARTICULARS OF EMPLOYEES**

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

**31. SEXUAL HARASSMENT**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the Financial Year 2019-20, the Company has not received any complaints.

Internal Compliants Committee has not been constituted since the number of employees is less than 10 as stipulated under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**32. MAINTENANCE OF COST RECORDS**

The Company is an NBFC, and hence the requirement under sub-section (1) of section 148 of the Companies Act, 2013 w.r.t Maintenance of cost records is not applicable.

**33. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020  
Chennai

## NOMINATION AND REMUNERATION POLICY

### Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015 and the listing agreement as amended from time to time, this policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors on 28th May, 2015.

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 44 of the SEBI ( Listing Obligation and Disclosure Requirements) Regulations 2015,.

### 1. OBJECTIVE

The Objectives of the Policy are:

To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

To evaluate the performance of the Directors, Key Managerial Personnel and Senior Management and provide necessary reports to the Board for their further evaluation.

To recommend the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

To provide to the Key Managerial Personnel and Senior Management, rewards linked directly to their effort, performance, dedication and achievement in relation to the Company's operations.

To attract, retain, motivate and promote talent and to ensure the long term sustainability of talented managerial persons and create a competitive advantage.

To devise a policy on Board diversity.

To develop a succession plan for the Board and to regularly review the plan.

### 2. DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Policy or This Policy" means, the Nomination and Remuneration Policy.

"Company" means S.I. CAPITAL & FINANCIAL SERVICES LIMITED

"Directors" mean Directors of the Company.

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" means key managerial personnel of the Company as defined under Section 2(51) of the Companies Act, 2013 and the rules made thereunder.

“Senior Management” means personnel of the Company who are members of its core management team excluding the Board of Directors. It would comprise all members of management, one level below the executive Director(s), including the functional heads.

**3. COMMITTEE**

**Composition of the Committee**

The Company through its Board of Directors shall constitute the Nomination and Remuneration Committee consisting of at least three Directors, all of whom shall be nonexecutive Directors and at least half shall be independent.

The Chairman of the Committee shall be an Independent Director.

The Chairperson of the Company may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

The Chairman of the Committee could be present at the Annual General Meeting, to answer the shareholders’ queries. However, it would be up to the Chairman to decide who should answer the queries.

**Role of the Committee**

The Committee shall:

Formulate the criteria for determining the qualifications, positive attributes and independence of a Director.

Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

Recommend to the Board, the appointment and removal of Directors, KMP and Senior Management Personnel.

Recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees, based on their qualification, experience and performance and to also ensure that the level and composition of the remuneration is reasonable and sufficient to attract retain and motivate the Directors, KMP and Senior Management Personnel and such other factors as the Committee shall deem appropriate.

While formulating the policy, the Committee shall ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Approve the remuneration of the senior management including key managerial personnel of the Company, by maintaining a balance between fixed and incentive pay reflecting the short term and long term performance objectives appropriate to the working of the Company and its goals.

Devise a policy on Board diversity, to ensure that the Board comprises of an optimum combination of executive Directors and non-executive Directors including Independent Directors.

Devise a framework to ensure that the Directors are inducted through suitable familiarization process covering their roles, responsibility and liability.

Formulate the criteria for evaluation of Independent Directors and the Board.

Carry out the evaluation of every Director’s performance.

3.2.11 Assist the Board in ensuring that plans are in place for the orderly succession of appointments to the Board and to the senior management.

3.2.12. Consider any other matters as may be requested by the Board.

Provided that the Committee may set up a mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

**Committee Member's Interests**

A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meeting of the Committee.

**Secretary**

The Company Secretary of the Company shall act as the Secretary of the Committee.

**Frequency of Meetings**

The meetings of the Committee shall be held at such regular intervals as may be required.

**Voting**

Matters arising for determination at Committee meetings shall be decided by the majority of the votes of the Members present and voting and any such decision shall for all purposes be deemed to be a decision of the Committee.

In case of equality of votes, the Chairman of the meeting will have a casting vote.

**Minutes of Committee Meeting**

Proceedings of all meetings must be entered in the minutes and signed by the Chairman of the Committee. Minutes of the Committee meeting will be tabled at the subsequent Board meeting.

**4. POLICY RELATING TO APPOINTMENT, REMUNERATION AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT**

**Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and shall recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is being considered for appointment. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- e) Appointment of Independent Directors is subject to compliance of the provisions of Section 149 of the Companies Act, 2013, read with Schedule IV and the rules made thereunder for the time being in force.
- f) A person shall not be eligible for appointment as a Director of the Company, if he is disqualified under section 164 of the Companies Act, 2013 or under any other regulations.
- g) Appointment of KMP and Senior Management Personnel shall be in line with the HR policy of the Company.

**Term / Tenure**

- a) Managing Director/Whole-time Director / Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of the term.



b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to be an Independent Director. Provided that an Independent Director shall not, during the aforementioned period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of an Independent Director, it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such a person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act

c) KMP / Senior Management Personnel:

The Company may in general not appoint or continue the employment of any person as KMP / Senior Management Personnel who has attained the age of retirement i.e. Fifty Eight (58) years. But at the discretion of the Top Management, the retirement age can be extended to Sixty (60) years, subject to competency & good health of the individual. Subsequently, subject to the same criteria of competency & good health, on a yearly basis of evaluation the retirement age can be extended to Sixty Five (65) years. The same criteria of competency & good health shall apply also for appointments upto the age of Sixty Five (65) years.

**EVALUATION**

The Committee shall carry out the evaluation of the performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly). Following are the criteria for the evaluation of the performance of the Independent Directors and the Board:

**4.3.1. DIRECTORS**

**a. Executive Directors / Whole-time Directors**

The Executive Directors shall be evaluated on the basis of targets/ criteria given to them by the Board from time to time.

**b. Independent Directors**

The Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they :

- a) Act objectively and constructively while exercising their duties;
- b) Effectively deploy knowledge and expertise;
- c) Maintain confidentiality, integrity and independence in their behavior and judgment;
- d) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- e) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- f) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Refrain from any action that would lead to loss of his independence;

- h) Inform the Board immediately when they lose their independence;
- i) Assist the Company in implementing the best corporate governance practices;
- j) Strive to attend all meetings of the Board of Directors and the Committees;
- k) Participate constructively and active participation to discussions in the Board meetings and in the Committees of the Board in which they are chairpersons or members;
- l) Keep themselves well informed about the Company and the external environment in which it operates;
- m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between the management and the shareholder's interest.
- n) Abide by the Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

**c. Non-Independent Directors**

The Non-Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a) Act objectively and constructively while exercising their duties;
- b) Effectively deploy knowledge and expertise;
- c) Maintain confidentiality, integrity and independence in their behavior and judgment;
- d) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- e) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- f) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Assist the Company in implementing the best corporate governance practices;
- h) Strive to attend all meetings of the Board of Directors and the Committees;
- i) Participate constructively and active participation to discussions in the Board meetings and in the Committees of the Board in which they are chairpersons or members;
- j) Keep themselves well informed about the Company and the external environment in which it operates;
- k) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between the management and the shareholder's interest.
- l) Abide by the Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

**KMP / Senior Management Personnel**

The KMP / Senior Management Personnel shall be evaluated on the basis of the HR policy of the Company inclusive of the following criteria:

1. Individual Performance- Based on the Target (KPI's) set for him/her at the commencement of the performance year.
2. Organisation Performance- Based on the organisation performance target set at the commencement of the year.

**REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder or the Company's HR policy, the Committee may recommend, to the Board with reasons recorded in writing, the removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

**REMUNERATION**

**General:**

- a) The remuneration / compensation / commission etc. to the Director (Executive & NonExecutive), KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for their approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and the Central Government, wherever required.
- b) The remuneration and commission including increments, to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions specified as per the provisions of the Act.
- c) Where any insurance has been taken by the Company on behalf of its Whole-time Director, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proven to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR**

- a) Remuneration

The Whole-time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and the Central Government, wherever required.

- b) Minimum remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its whole-time Director in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

**REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:**

- a) Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending the meetings of the Board or Committee thereof. Provided that the amount of such

fees shall not exceed Rs.1,00,000/- (Rupees One Lakh ) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

b) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

c) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

**4.6.4 REMUNERATION TO KMP & SENIOR MANAGEMENT PERSONNEL**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and the prevailing market standards. The KMP and the Senior Management Personnel of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses etc. shall be as per the Company's HR policy. The remuneration details shall be presented before the Committee, which would have the requisite details setting out the proposed increments for the next financial year. The Committee shall peruse and forward the same to the Board of Directors of the Company for their approval. This remuneration policy shall apply to all future/ continuing employment/ engagement(s) with the Company. In other respects, the remuneration policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

**BOARD DIVERSITY**

The Board of Directors shall have the optimum combination of Directors from different areas / fields like management, finance, sales, marketing, legal etc. or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

- a) The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes.
- b) The details of such familiarization programmes shall be disclosed on the Company's website and a web link thereto shall also be given in the Annual Report

**5. DISSEMINATION**

The details of the policy and the evaluation criteria shall be disclosed in the annual report as part of Board's report therein.

**6. AMENDMENT TO THE POLICY**

The Board of Directors on its own and / or as per the recommendations of the Committee can amend this policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**FORM NO. AOC -2**

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

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

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

<b>Particulars</b>	<b>Details</b>
Name (s) of the related party & nature of relationship	Nil
Nature of contracts/arrangements/transaction	
Duration of the contracts/arrangements/transaction	
Salient terms of the contracts or arrangements or transaction including the value, if any	
Date of approval by the Board	
Amount paid as advances, if any	

**2. Details of contracts or arrangements or transactions at Arm's length basis:**

<b>Particulars</b>	<b>Details</b>	
Name (s) of the related party & nature of relationship	Ms. Mary Rodrigues Non Executive Director	Ms. Suzanne Venglet Non Executive Director
Nature of contracts/ arrangements/ transaction	Payment of Rent	Payment of Rent
Duration of the contracts/ arrangements/ transaction	11 Months	11 Months
Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 10,000 per month	Rs. 15000 per month
Date of approval by the Board	NA	NA
Amount paid as advances, if any	No	No

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020

Chennai

To,

The Members,

S.I.Capital & Financial Services Limited

CIN : L67190TN1994PLC029151

64, Montieth Road, Egmore, Chennai-600008, Tamil Nadu

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. Due to restrictions on movement of people amid COVID-19 pandemic, we had to conduct our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the Company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis. Further compliance of Act, Regulations, Directions listed under Para (vi) of the report is limited to issue of securities, corporate governance aspects and filing of forms and returns there under.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Liya And Associates**

Sd/-

Liya Antony

(Practicing Company Secretary)

Proprietor

ACS: 39611

CP: 19314

UDIN : A039611B000642730

29.08.2020

Ernakulam

**Form No MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

S.I.Capital & Financial Services Limited

CIN :L67190TN1994PLC029151

64, Montieth Road, Egmore, Chennai-600008, Tamil Nadu

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S.I.Capital & Financial Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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.

I 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, 2020 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-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ( ' SEBI Act' );
  1. The Securities and Exchange Board of India( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  2. The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992;
  3. The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2018;
  4. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations,2014;
  5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  6. The Securities and Exchange Board of India ( Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
  7. The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009;
  8. The Securities and Exchange Board of India (Buyback of Securities ) Regulations, 1998;
  9. Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

6. The following laws, regulations, directions, orders applicable specifically to the Company:
- i. The Reserve Bank of India Act, 1934
  - ii. Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.
  - iii. Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

I have also examined compliance with the applicable clauses of the following;

- I. The Secretarial Standards issue by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange

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

On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable provisions of Act / Regulations / Directions as mentioned above in respect of:

- i. Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment.
- ii. Buy-back of securities.
- iii. Delisting of Equity Shares
- iv. Issue and Listing of Debt Securities

I 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

I 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.

I further report that during the audit period, the following specific events / actions had/shall have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. On 12.12.2019, Sharewealth Securities Limited became the holding company by acquiring 60.93% of equity share capital of the Company through Open Offer.

**For Liya And Associates**

Sd/-  
Liya Antony  
(Practicing Company Secretary)  
Proprietor  
ACS: 39611  
CP: 19314  
UDIN : A039611B000642730

29.08.2020  
Ernakulam

Note : This report is to be read with our letter of even date which is annexed as "ANNEXURE III" and forms an integral part if this report.



**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31.03.2020

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

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L67190TN1994PLC029151
ii	Registration Date	November 8, 1994
iii	Name of the Company	S.I.CAPITAL & FINANCIAL SERVICES LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares Non Government Company
v	Address of the Registered office & contact details	64, MONTIETH ROAD, EGMORE, CHENNAI - 600008, TAMIL NADU Phone: 044 28415439/ 42145840
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	GNSA Infotech Pvt. Ltd. Nelson Chambers, F Block, IV Floor 115, Nelson Manickam Road Aminthakarai, Chennai - 600 029 Ph: 044 - 4296 2025 e-mail: sta@gnsaindia.com  The Board of Directors decided to change the RTA from GNSA Infotech Pvt. Ltd. to SKDC Consultants Ltd. at its meeting held on May 19, 2020

**I PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SL.No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Other financial service activities	64-649	64.07%
2	Full Fledged Money Changers in Foreign Exchange	9971592	35.93%

**II PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Sharewealth Securities Limited Door No. 20/232, Adiyat Lane, Poothole P. O., West Fort, Thrissur – 680004, Kerala	U67120KL2005PLC018045	Holding Company	60.93%	2(46)

**III SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

**(a) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1295840	29960	1325800	44.19	-	-	-	-	-44.19
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	504100	-	504100	16.80	1827850	-	1827850	60.93	44.13
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	1799940	29960	1829900	60.99	1827850	-	1827850	60.93	-0.06
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A) (1)+(A)(2)	1799940	29960	1829900	60.99	1827850	-	1827850	60.93	-0.06
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	9200	9200	0.31	0	9200	9200	0.31	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

**S.I. Capital & Financial Services Ltd., Chennai**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	9200	9200	0.31	0	9200	9200	0.31	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	6000	33300	39300	1.31	200	33300	33500	1.12	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	224600	716000	940600	31.35	208100	719550	927650	30.92	-0.43
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	48300	132700	181000	6.03	48300	149400	197700	6.59	0.56
c) Others									
Non Resident Indians	-	-	-	-	4100	-	4100	0.14	0.14
Sub-total (B)(2):-	278900	882000	1160900	38.70	260700	902250	1162950	38.77	0.27
Total Public Shareholding (B)=(B)(1)+ (B)(2)	278900	891200	1170100	39.00	260700	911450	1172150	39.07	0.07
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	2078840	921160	3000000	100.00	2088550	911450	3000000	100.00	-

**(b) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	V A KURIEN	756010	25.20	-	-	-	-	-25.20
2	SANJAY ARJUNDAS WADHWA	289300	9.64	-	-	-	-	-9.64
3	SUSIE ABRAHAM	178700	5.96	-	-	-	-	-5.96
4	MARY RODRIGUES	65200	2.17	-	-	-	-	-2.17
5	ARJUNDAS POKARDAS	19100	0.64	-	-	-	-	-0.64
6	SUZANNE VENGLLET	7340	0.24	-	-	-	-	-0.24
7	ARJUNDAS POKARDAS HUF II	5000	0.17	-	-	-	-	-0.17
8	SANJAY A WADHWA HUF	4200	0.14	-	-	-	-	-0.14
9	KADAVILL N T	910	0.03	-	-	-	-	-0.03
10	GEORGE C A	10	0.00	-	-	-	-	0.00
11	SASIKUMAR C	10	0.00	-	-	-	-	0.00
12	ABRAHAM THOMAS	10	0.00	-	-	-	-	0.00
13	KHALEELI M A C	10	0.00	-	-	-	-	0.00
14	SOUTHERN WAREHOUSING CO. PVT. LTD.	504100	16.80	-	-	-	-	-16.80
15	SHAREWEALTH SECURITIES LIMITED	-	-	-	1827850	60.93	-	60.93
	<b>Total</b>	<b>1829900</b>	<b>61.00</b>	<b>-</b>	<b>1827850</b>	<b>60.93</b>	<b>-</b>	<b>-0.07</b>

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

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:				
V A KURIEN	756010	25.20	756010	25.20
SANJAY ARJUNDAS WADHWA	289300	9.64	289300	9.64
SUSIE ABRAHAM	178700	5.96	178700	5.96
MARY RODRIGUES	65200	2.17	65200	2.17
ARJUNDAS POKARDAS	19100	0.64	19100	0.64
SUZANNE VENGLLET	7340	0.24	7340	0.24
ARJUNDAS POKARDAS HUF II	5000	0.17	5000	0.17
SANJAY A WADHWA HUF	4200	0.14	4200	0.14
KADAVILL N T	910	0.03	910	0.03
GEORGE C A	10	0.00	10	0.00
SASIKUMAR C	10	0.00	10	0.00
ABRAHAM THOMAS	10	0.00	10	0.00
KHALEELI M A C	10	0.00	10	0.00
SOUTHERN WAREHOUSING CO PVT. LTD.	504100	16.80	504100	16.80
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
Purchased through Open Offer on 04.10.2019				
SHAREWELTH SECURITIES LIMITED	27900	0.93	27900	0.93
Transfer as on 24.10.2019 to Sharewealth Securities Limited				
SOUTHERN WAREHOUSING CO PVT. LTD.	504100	16.80	-	-
SANJAY A WADHWA HUF	4200	0.14	-	-
ARJUNDAS POKARDAS	19100	0.64	-	-
ARJUNDAS POKARDAS HUF II	5000	0.17	-	-
Transfer as on 25.10.2019 to Sharewealth Securities Limited				

**S.I. Capital & Financial Services Ltd., Chennai**

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
MOHINI A WADHWA	5000	0.17	-	-
V A KURIEN	756010	25.20	-	-
Market sales by Mr. Sanjay Arjundas Wadhwa on 25.10.2019	283600	9.45	5700	0.19
Transfer as on 29.10.2019 to Sharewealth Securities Limited				
SUSIE ABRAHAM	178700	5.96	-	-
Transfer as on 13.11.2019 to Sharewealth Securities Limited				
SUZANNE VENGLLET	7330	0.24	10	0.00
Transfer as on 22.11.2019 to Sharewealth Securities Limited				
MARY RODRIGUES	65200	2.17	-	-
Transfer as on 12.12.2019 to Sharewealth Securities Limited				
SUZANNE VENGLLET	10	0.00	-	-
Reclassified as Public Shareholders:				
KADAVILL N T	910	0.03	-	-
GEORGE C A	10	0.00	-	-
SASIKUMAR C	10	0.00	-	-
ABRAHAM THOMAS	10	0.00	-	-
KHALEELI M A C	10	0.00	-	-
Market Sales by Mr. Sanjay Arjundas Wadhwa on 03.01.2020	5000	0.17	700	0.00
Market Purchase by Mr. Sanjay Arjundas Wadhwa on 10.01.2020 (Reclassified as Public Shareholder)	5000	0.17	5700	0.19
At the end of the year:				
SHAREWEALTH SECURITIES LIMITED	1827850	60.93	1827850	60.93

## S.I. Capital & Financial Services Ltd., Chennai

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	JAYANT PRANJIWANDAS	57900	1.93	57900	1.93
2	SURENDRA KUMAR NAKHAT	46300	1.54	46300	1.54
3	VRINDA S WADHWA	35500	1.18	35500	1.18
4	S SIVARAMAKRISHNAN	13900	0.46	13900	0.46
5	MRG NAGHESEN	14600	0.49	14600	0.49
6	VIMALKUMAR GALADA & SUNEETA GALADA	12800	0.43	12800	0.43
7	MOHINI A WADHWA	10000	0.33	-	-
8	GANESH KUMAR A S	10000	0.33	10000	0.33
9	ERIC RODRIGUES	9800	0.32	9800	0.32
10	THE CITY UNION BANK LTD	9200	0.31	9200	0.31
11	ARJUNDAS POKARDAS & SANJAY A WADHWA	-	-	16700	0.56
	TOTAL	220000	7.33	226700	7.56

### E) Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:				
Suzanne Venglet	7340	0.24	7340	0.24
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
Transfer as on 13.11.2019 to Sharewealth Securities Limited	(7330)	(0.24)	10	0.00
Transfer as on 12.12.2019 to Sharewealth Securities Limited	(10)	0.00	-	-
At the end of the year:				
Suzanne Venglet	-	-	-	-

**S.I. Capital & Financial Services Ltd., Chennai**

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:				
Mary Rodrigues	65200	2.17	65200	2.17
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
Transfer as on 22.11.2019 to Sharewealth Securities Limited	(65200)	(2.17)	-	-
At the end of the year:				
Mary Rodrigues	-	-	-	-
At the beginning of the year:				
Sanjay Arjundas Wadhwa	289300	9.64	289300	9.64
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
Market sales by Mr. Sanjay Arjundas Wadhwa on 25.10.2019	(283600)	(9.45)	5700	0.19
Market sales by Mr. Sanjay Arjundas Wadhwa on 03.01.2020	5000	0.16	700	0.00
Market Purchase by Mr. Sanjay Arjundas Wadhwa on 10.01.2020 (Reclassified as Public Shareholder)	5000	0.16	5700	0.19
At the end of the year:				
Sanjay Arjundas Wadhwa	5700	0.19	5700	0.19



**V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

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

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl No.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mary Rodrigues	(Rs.)
1	Gross salary	120000	120000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit others, specify...	-	-
5	Others, please specify (Sitting fees)	4000	4000
	Total (A)	124000	124000
	Ceiling as per the Act	60 Lakhs	

**B. Remuneration to other directors**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Shanmugam Ramesh	Mr. Chintan Bharat Shah			
1	Independent Directors	Mr. Shanmugam Ramesh	Mr. Chintan Bharat Shah			
	Fee for attending board committee meetings	2000	4000			6000
	Commission	-	-			-
	Others, please specify	-	-			-
	<b>Total (1)</b>	2000	4000			6000
2	Other Non-Executive Directors	T B Ramakrishnan	Sreeram Gopinathan Nair	Suzanne Venglet	Sanjay Arjundass Wadhwa	
	Fee for attending board committee meetings	1000	1000	2000	3000	7000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	1000	1000	2000	3000	7000
	<b>Total (B)=(1+2)</b>					13000
	<b>Total Managerial Remuneration</b>					124000
	Overall Ceiling as per the Act	1 Lakh per board meeting maximum				

**C. Remuneration To Key Managerial Personnel other than MD/MANAGER/WTD :**

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	207500	278000	485500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	207500	278000	485500

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

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

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020  
Chennai

**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

S.I. Capital & Financial Services Limited

I have examined the compliance of the conditions of Corporate Governance by **S.I. Capital & Financial Services Limited** ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the applicable conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Liya And Associates**

Sd/-

Liya Antony  
(Practicing Company Secretary)

Proprietor

ACS: 39611

CP: 19314

29.08.2020  
Ernakulam

**PARTICULARS OF EMPLOYEES**

Particulars of Remuneration of Directors and Employees pursuant to Section 197(12) of the Companies (Appointment and Remuneration) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:

S.I. No	Names	Ratio
1	Ms. Mary Rodrigues	0.74:1

- (ii) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or manager if any in the financial year 2019-20:

There is no such increase for any of the aforementioned people.

- (iii) Percentage increase in the median remuneration of employees in the financial year 2019-20:  
There is no such increase for any of the aforementioned people.

- (iv) The number of permanent employees on the rolls of Company : 6

- (v) Comparison of the remuneration of the KMP against the performance of the Company:

KMP's Remuneration 2019-20 Rs.	% Increase / (Decrease) in KMP's Remuneration (2019-20) against 2018-19	Sales 2019-20 Rs.	% increase in sales (2019-20) against 2018-19
605500	-9.89%	33.92	3.54%

- (vi) Variations in Market Capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in market quotations of the shares of the company in comparison to the rate at which the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:

These details are not available as the public trading of the shares is now under suspension.

- (vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

KMP's Name & Designation	Cost to Company for 2019-20 ( In Rs.)	% Increase / (Decrease) in Cost to Company (2019-20 against 2018-19)	Sales for 2019-20 (In lakhs)	% Increase in sales (2019-20 against 2018- 19)
Ms. Mary Rodrigues – Managing Director	120000	NIL	33.92	3.54%
Ms. Krishnan Dhanalakshmi – Chief Financial Officer	278000	-10.89%		
Ms.D.Dhanalakshmi & Ms. Aneetta C Vilson – Company Secretary	207500	-13.54%		

**S.I. Capital & Financial Services Ltd., Chennai**

(viii) The key parameters for any variable component of remuneration availed by the directors:

The Directors are not getting any variable compensation other than the sitting fees for the board meetings attended.

(ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

S.I. No	Names	Ratio
1	Ms. Mary Rodrigues	0.74:1

(x) We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.

(xi) Statement of employees receiving remuneration not less than five lakhs rupees per month: Nil

**By order of the Board of Directors**

Sd/-

T B Ramakrishnan

Chairman

DIN:01601072

29.08.2020  
Chennai

## INDEPENDENT AUDITORS' REPORT

To The Members of  
SI CAPITAL & FINANCIAL SERVICES LIMITED,  
CHENNAI

### Opinion

I have audited the accompanying standalone financial statements of SI Capital & Financial Services Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including other comprehensive income) the Statement of Changes in equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the companies (Indian Accounting Standards) Rules 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2020 and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable pronouncements issued by the Institute of Chartered Accountants of India. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Act and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current year. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

### Information other than the financial statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and my auditor's report thereon.

My opinion on financial statement does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or my knowledge obtained in the audit or otherwise appears to be material misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact, I have nothing to report in this regard.

### Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company

in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

**Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (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 (the "Order"), and on the basis of such checks of the books and records of the company as I considered appropriate and according to the information and explanations given to me, I give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.
- (2) As required by section 143(3) of the Act, I report that:
  - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
  - b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read Companies (Indian Accounting Standards) Rules, 2015;
  - e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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 my separate Report in "Annexure B" to this report;
  - g. A regards Managerial Remuneration paid to Director, refer to note no.11 of "Annexure A" to this Report.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my information and according to the explanations given to me:
    - i) The Company has no pending litigation on its financial position in its financial statement.
    - ii) The Company did not have any material foreseeable losses relating to long term contracts including derivative contracts.
    - iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

29.07.2020  
Chennai

Sd/-  
A M THOMAS  
CHARTERED ACCOUNTANT  
M. No. 22119  
UDIN : 20022119AAAAAB8812

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(The Annexure referred to in my report under "Report on Other Legal and Regulatory Requirements para 1" even date on the accounts of SI Capital & Financial Services Limited for the year ended 31st March 2020)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) According to the information and explanation given to me, all the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in my opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to me, no material discrepancies were noticed on such verification.  
(c) According to the information and explanation given to me and on the basis of my examination of the records of the Company does not own any immovable property.
2. The Company does not have any inventory and hence reporting under Clause (ii) of the Order is not applicable.
3. According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities, as applicable
4. According to the information and explanations given to me, the Company has not granted 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.
5. According to the information and explanations given to me, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
6. In my opinion and according to the information and explanations given to me, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.
7. According to the information and explanations given to me, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Service Tax, Valued Added Tax, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Service Tax, Valued Added Tax, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to me, there are no dues in respect of Provident Fund, Income Tax, Service Tax, Valued Added Tax, Goods and Service Tax that have not been deposited with the appropriate authorities on account of any dispute.
  - (d) According to the information and explanations given to me, no amount is required to be transferred to investor Education and Protection Fund in accordance with the relevant provisions for the Companies Act, 1956, and the rules made there under.
8. As the Company does not have any loans or borrowings from any financial institution, banks, government nor has it issued any debentures as at the Balance Sheet date, the provisions of clause 3(viii) of the Order are not applicable.

**S.I. Capital & Financial Services Ltd., Chennai**

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) of the Order are not applicable.
10. During the course of my 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 me, I 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, not have I been informed of any such case by the management
11. According to the information and explanation given to me and based on my examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order are not applicable.
13. According to the information and explanations given to me and based on my examination of the records of the company, transactions with related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. 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.
15. 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.
16. The Company was registered as Non Deposit Accepting Non-Banking Financial Company. The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

29.07.2020  
Chennai

Sd/-  
A M THOMAS  
CHARTERED ACCOUNTANT  
M. No. 22119  
UDIN : 20022119AAAAAAB8812

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

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

1. I have audited the internal financial controls over financial reporting of SI Capital & Financial Services Limited ("the Company") as of March 31, 2020 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

3. My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

6. 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**

7. 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**

8. In my opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

29.07.2020  
Chennai

Sd/-  
A M THOMAS  
CHARTERED ACCOUNTANT  
M. No. 22119  
UDIN : 20022119AAAAAAB8812

**BALANCE SHEET AS AT 31.03.2020**

(Rupees in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>I. ASSETS :</b>				
1) Financial Assets :				
a) Cash and Cash equivalents	3	94.37	152.91	40.89
b) Loans	4	59.07	47.46	37.24
c) Investments	5	101.01	64.78	211.22
d) Other financial assets	6	10.46	6.98	1.71
		264.91	272.13	291.06
2) Non-Financial Assets :				
a) Deferred tax assets (Net)	7	6.61	7.29	7.31
b) Property, Plant and equipment	8	4.10	1.06	4.97
c) Other non-financial assets	9	9.75	8.45	9.72
		20.45	16.81	22.00
<b>TOTAL ASSETS</b>		285.36	288.93	313.06
<b>II. LIABILITIES AND EQUITY :</b>				
<b>LIABILITIES :</b>				
1) Financial Liabilities				
a) Other financial liabilities	10	5.00	-	-
		5.00	-	-
2) Non-Financial Liabilities				
a) Provisions	11	5.32	7.52	21.69
b) Other non-financial liabilities	12	0.14	0.15	0.10
3) EQUITY				
a) Equity Share Capital	13	300.00	300.00	300.00
b) Other Equity	14	(25.10)	(18.73)	(8.73)
		280.36	288.93	313.06
<b>TOTAL LIABILITIES AND EQUITY</b>		285.36	288.93	313.06

Accounting policies and Notes forming part of the financial statements 21

As per my separate report of even date

For and on behalf of the Board

CA. A M Thomas

T B Ramakrishnan

Jitha Chummar

Chartered Accountant

Chairman

Chief Financial Officer

Membership No. 022119

DIN: 01601072

UDIN : 20022119AAAAAAB8812

Place: Chennai

Aneetta C Vilson

Date: 29.07.2020

Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020

(Rupees in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
<b>REVENUE FROM OPERATIONS :</b>			
Interest Income	15	13.42	16.42
Dividend Income		0.05	0.17
Net gain on fair value changes	16	7.86	6.55
Sale of Service		12.19	9.63
Others			
Processing Charges Collected		0.40	-
Total Revenue from Operations		33.92	32.76
Other Income	17	-	1.43
<b>Total Income (I + II) = (III)</b>		33.92	34.19
<b>EXPENSES :</b>			
Finance Costs	18	0.58	0.24
Fees and Commission Expense		0.55	-
Employee Benefits Expenses	19	14.15	13.68
Depreciation, amortization and impairment	8	0.53	1.84
Others Expenses	20	23.52	25.66
Total Expenses (IV)		39.32	41.42
Profit / (Loss) before exceptional items and tax (III - IV)		(5.40)	(7.24)
Exceptional Items		-	-
Profit / (Loss) before tax (V - VI)		(5.40)	(7.24)
<b>Tax Expenses :</b>			
(1) Current Tax		-	-
(2) Deferred Tax		0.69	0.02
Profit / (Loss) for the period from continuing operation (VII - (VIII))		(6.09)	(7.26)
Profit (Loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Profit / (Loss) from discontinued operations (After tax) (X - XI)		-	-
Profit / (Loss) for the Period (IX + XII)		(6.09)	(7.26)
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit or Loss		-	-
(ii) Income tax relating to itmes that will not be reclassified to Profit or Loss		-	-
<b>Subtotal (A)</b>		-	-

**S.I. Capital & Financial Services Ltd., Chennai**

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
(B) (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to itmes that will be reclassified to Profit or Loss		-	-
<b>Subtotal (B)</b>		-	-
Other Comprehensive Income (A + B)		-	-
Total comprehensive Income for the period (XIII + XIV) (Comprising Profit (Loss) and other comprehensive income for the period		(6.09)	(7.26)
Earnings per equity share			
Basic (Rs.)		(0.20)	(0.24)
Diluted (Rs.)		(0.20)	(0.24)
Earnings per equity share (for discontinuing operations)			
Basic (Rs.)		-	-
Diluted (Rs.)		-	-
Earnings per equity share (for continuing and discontinuing operations)			
Basic (Rs.)		(0.20)	(0.24)
Diluted (Rs.)		(0.20)	(0.24)

Accounting policies and Notes forming part of the financial statements 21

As per my separate report of even date

For and on behalf of the Board

CA. A M Thomas

T B Ramakrishnan

Jitha Chummar

Chartered Accountant

Chairman

Chief Financial Officer

Membership No. 022119

DIN: 01601072

UDIN : 20022119AAAAAB8812

Place: Chennai

Aneetta C Vilson

Date: 29.07.2020

Company Secretary



**Cash flow statement for the year ended 31.03.2020**

(Rupees in Lakhs)

<b>Particulars</b>	<b>As at 31.03.2020</b>		<b>As at 31.03.2019</b>	
<b>A. Cash Flow From Operating Activities</b>				
Net Profit / (Loss) Before Tax & Extraordinary items		(5.40)		(7.24)
Add: Depreciation	0.53		1.84	
Loss on redemption of mutual funds	0.19		-	
Income tax of earlier years w/off	(0.30)	0.42	(2.75)	(0.91)
		(4.98)		(8.14)
Less: Profit on Redemption of Mutual Funds	8.05		5.72	
Profit on Sale of Shares	-		0.82	
Profit on Sale of Motor Car	-		1.43	
Interest received	13.42		16.42	
Dividend received	0.05		0.17	
Personal Loan Processing charges collected	0.40		-	
	-	21.92	-	24.56
Operating Profit Before Working Capital Changes		(26.91)		(32.71)
Changes In Working Capital				
Add: Increase in Current Assets/Non current Assets	(16.38)		(14.23)	
Add: Increase in Current Liabilities / Non Current Liabilities	2.80	(13.58)	(14.13)	(28.36)
		(40.49)		(61.07)
Less: Provision for Taxation		-		-
Net Cash from Operating Activities		(40.49)		(61.07)
<b>B. Cash Flow From Investing Activities</b>				
Sale of Mutual Funds	203.73		182.05	
Sale of Shares	-		17.87	
Sale of Fixed Assets	-		3.50	
Personal Loan Processing charges collected	0.40		-	
Interest Received	13.42		16.42	
Dividend Received	0.05	217.60	0.17	220.01
Less : Purchase of Shares	-		5.82	
Purchase of Mututal Fund	232.10		41.12	
Purchase of Fixed Assets	3.55	235.65	-	46.94
Net Cash from Investing Activities		(18.05)		173.07

**S.I. Capital & Financial Services Ltd., Chennai**

Particulars	As at 31.03.2020		As at 31.03.2019	
C. Cash Flow from Financing Activities				
Decrease in Secured Loans	Nil		Nil	
Increase in Secured Loans	Nil		Nil	
Decrease in Unsecured Loans	Nil		Nil	
Increase in Unsecured Loans	Nil		Nil	
Less : Decrease in bank borrowings	Nil		Nil	
Interest on Loans	Nil	Nil	Nil	Nil
Net Cash from Financing Activities		Nil		Nil
D. Net Increase/(Decrease in) Cash & Cash Equivalents (A + B + C) or (F - E)		(58.54)		112.00
E. Cash & Cash Equivalent at the beginning of the year	152.91		40.91	
F. Cash & Cash Equivalent at the end of the year	94.37	(58.54)	152.91	112.00

As per my separate report of even date

CA. A M Thomas  
Chartered Accountant  
Membership No. 022119  
UDIN : 20022119AAAAAB8812

Place: Chennai  
Date: 29.07.2020

For and on behalf of the Board

T B Ramakrishnan                      Jitha Chummar  
Chairman                                  Chief Financial Officer  
DIN: 01601072

Aneetta C Vilson  
Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2020**

**(A) EQUITY SHARE CAPITAL**

Particulars	(Rupees in Lakhs)
Balance as at April 1, 2018	300.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	300.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	300.00

**(B) OTHER EQUITY**

(Rupees in Lakhs)

Particulars	Security Premium	Retained earnings	Reverve fund as per RBI Act	General Reserve	Infrastructure reserve	Share options outstanding account	Other comprehensive income on debt securities	Total
Balance as at 01.04.2018		(37.42)	28.69					(8.73)
Profit after tax		(7.26)						(7.26)
Other comprehensive income (net of tax)		2.75						2.75
	-	(47.43)	28.69	-	-	-	-	(18.73)
Transfer to reserve fund in term of section 45-IC(1) of the RBI act, 1934								
Dividend								
Fair Value of stock option								
Transfer on allotment of share to employees pursuant to EPOS scheme								
Transfer on cancellation of stock options	-	(47.43)	28.69	-	-	-	-	(18.73)
Add : Premiumn equity shares held in trust for employees under ESOP scheme as at 31.03.2018								
Less : Premium n equity shares held in trust for employees under ESOP scheme as at 31.03.2019								
Balance as at 31.03.2019	-	(47.43)	28.69	-	-	-	-	(18.73)
Balance as at 31.03.2019		(47.43)	28.69					(18.73)
Profit after tax		(6.09)						(6.09)

**S.I. Capital & Financial Services Ltd., Chennai**

Particulars	Security Premium	Retained earnings	Reverve fund as per RBI Act	General Reserve	Infrastructure reserve	Share options outstanding account	Other comprehensive income on debt securities	Total
Life of fixed assets value lapsed		0.02						0.02
Other comprehensive income (net of tax)		0.30						0.30
	-	(53.80)	28.69	-	-	-	-	(25.10)
Transfer to reserve fund in term of section 45-IC(1) of the RBI act, 1934		-	-					-
Dividend								-
Fair Value of stock option								-
Transfer on allotment of share to employees pursuant to EPOS scheme								-
Transfer on cancellation of stock options								-
	-	(53.80)	28.69	-	-	-	-	(25.10)
Add : Premium n equity shares held in trust for employees under ESOP scheme as at 31.03.2019								-
Less : Premium n equity shares held in trust for employees under ESOP scheme as at 31.03.2020.								-
Balance as at 31.03.2020	-	(53.80)	28.69	-	-	-	-	(25.10)

Accounting policies and Notes forming part of the financial statements

As per my separate report of even date

For and on behalf of the Board

CA. A M Thomas

T B Ramakrishnan

Jitha Chummar

Chartered Accountant

Chairman

Chief Financial Officer

Membership No. 022119

DIN: 01601072

UDIN : 20022119AAAAAB8812

Place: Chennai

Aneetta C Vilson

Date: 29.07.2020

Company Secretary

**Note: 21 - Notes forming part of the financial statements for the year ended 31st March 2020.**

**1. CORPORATE INFORMATION**

S.I.Capital & Financial Services Limited (“the Company”) was incorporated on November 8, 1994 at Chennai, Tamil Nadu. The Company is a Non-Sytemically Important Non-Deposit Taking Non Banking Financial Company and a Full Fledged Money Changer. The Company has been providing fund based and fee based services.

The Company is registered with Reserve Bank of India (RBI). The registration details are as follows:

1. NBFC License No. 07.00078
2. FFMC License No. - FE.CHE.AM.400/2018
3. CIN - L67190TN1994PLC029151

The equity shares of the Company are listed on the BSE Limited.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**1 Basis of Preparation**

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act,2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015 and Companies (Indian Accounting Standards) amendments Rules,2016 issued by the Ministry of Corporate Affairs (MCA). The Company has adopted Ind AS from April 1, 2019 with effective transition date as April 1, 2018

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

In addition, the guidance notes and announcement issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires different treatment.

All the amounts included in Standalone Financial Statements are reported in Indian Rupees ('00000) and all values are rounded off to the nearest lakhs except where otherwise indicated.

**2 Inter Branch Transfers**

Inter Branch Transfers of currency are at cost.

**3 Use of Estimates**

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefit provisioning for receivables, provision for credit enhancement for assets de-recognised, net realizable value of repossessed assets, useful lives of fixed assets. Management believes that the estimates used in the preparation of the financial statemetns are prudent and reasonable. Future results may vary from these estimates.

**4 Provision, Contingencies Liabilities & Assets**

Provisions are recognised only when the Company has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of the obligation. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future

events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular Ref. No.DNBS(PD) CC No.225/03.02.001/ 2011-12 dated July 1,2011.

## **5 Property, Plant and Equipment**

### **a. Tangible Assets :**

Tangible fixed assets acquired by the company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition value includes the purchase price to the asset to bring it to the site and in the working condition for its intended use.

### **b. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on tangible fixed assets is provided using the written down value method in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013.

## **6 Investments**

Under IGAAP, investments in equity instruments and mutual funds were classified as longterm investments or current investments based on the intended holding period and expected realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are measured at fair value.

## **7 Financial Asset at amortised Cost**

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of testing SPPI, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset.

## **8 Loans**

The fair value of loans given is based on observable market transactions, to the extent available. Wherever the observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes interest rates, prepayment rates, primary origination or secondary market spreads. Input into the models may include information obtained from other market participants, which includes observed primary and secondary transactions.

To improve the accuracy of the valuation estimate for retail and smaller commercial loans, homogeneous loans are grouped into portfolios with similar characteristics such as product.

## **9 Financial Liability**

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver

a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

**10 Revenue Recognition**

Interest on loans and advances are recognised on accrual basis. In respect of loans under litigation, it is the company's policy to recognise interest on realisation basis.

**11 Retirement Benefits**

Contribution to Provident Fund is funded as a percentage of salary. Adequate provisions have been made in the accounts for the liability for Gratuity of employees.

**12 Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**13 Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of the cash flow statement comprises of cash on hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less, that are readily convertible into known amount of cash and which are subject to an insignificant risk of exchange in value.

**14 Cash Flow Statement**

Cash Flows are reported using the indirect method whereby cash flows from operating, investing and financing activities of the Group are segregated and profit before tax is adjusted for the effects of transactions of non - cash nature and any deferrals or accruals of past or future cash receipts or payments.

**S.I. Capital & Financial Services Ltd., Chennai**

(Rupees in Lakhs)

	31.03.2020	31.03.2019	01.04.2018
<b>NOTE NO. 3 Cash and Cash equivalents</b>			
(i) Cash on Hand	0.51	1.86	1.86
(ii) Balances with Banks in current accounts	80.66	39.36	27.35
(iii) Cheques, drafts on hand: and	-	-	
(iv) Others			
Fixed Deposit with bank	13.20	111.69	11.68
	94.37	152.91	40.89
<b>NOTE NO. 4 Loans</b>			
(A) (a) Bills Purchased and Bills discounted			
(b) Loans repayable on demand			
(c) Term Loans	53.56	24.00	37.24
(d) Leasing			
(e) Factoring			
(f) Others	5.51	23.46	-
Total (A) - Gross	59.07	47.46	37.24
Less: Impairment Loss	-	-	-
Total (A) - Net	59.07	47.46	37.24
(B) (a) Secured by tangible assets	48.61		
(b) Secured by intangible assets			
(c) Covered by Bank/Government Guarantees			
(d) Unsecured	10.46	47.46	37.24
Total (B) - Gross	59.07	47.46	37.24
Less: Impairment loss	-	-	-
Total (B) - Net	59.07	47.46	37.24
(C) (I) Loans in India			
(a) Public Sector			
(b) Others	59.07	-	-
Total Loans (C) (I) - Gross	59.07	-	-
Less: Impairment loss allowance	-	-	-
Total Loans (C) (I) - Net	59.07	-	-
(II) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total (C) (II)	-	-	-
Total (C) [(I) +(II)]	59.07	-	-
The classification of loans under the RBI Guidelines is as under:			
Standard Asset	59.07	47.46	37.24
Sub Standard Asset	-	-	-
Doubtful Asset	-	-	-
Loss Asset	-	-	-



(Rupees in Lakhs)

**NOTE NO. 5 Investments**

Particulars	Face Value	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
		Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
(A)							
<b>MUTUAL FUNDS :</b>							
Canara Roberco Liquid Growth		2133.56	50.00	-	-		
HDFC Liquid fund Growth		1311.02	50.00	-	-		
Canara Roberco Savings Plus - Regular Plan		-	-	1,57,170	2.24		22.58
HDFC Cash Management - Treasury Advantage Plan		-	-	8,567	2.19		2.19
Franklin India Liquid fund Super Inst Plan		-	-	3,539	31.00		
Franklin India Ultra Short Bond Fund		-	-	1,69,747	23.01		140.00
ICICI Prudential Flexible Income Daily Dividend		-	-	2,394	2.79		2.67
ICICI Prudential Flexible Income Regular Plan		-	-	817	2.54		2.54
Kotal Low Duration							29.00
<b>EQUITY SHARES</b>							
Reflection Investment							11.23
Sambandam Spinning Mills Ltd	10	45	0.45	45	0.45		0.45
Sri Nachammai Cotton Mills Ltd.	10	56	0.56	56	0.56		0.56
Total (A)			101.01		64.78		211.22
(B)							
Investments in India			101.01		64.78		211.22
Investments outside India			-		-		0
Total (B)			101.01		64.78		211.22

**S.I. Capital & Financial Services Ltd., Chennai**

(Rupees in Lakhs)

	31.03.2020	31.03.2019	01.04.2018
<b>NOTE NO. 6 Other Financial Assets</b>			
Security Deposits	-	-	-
Interest accrued on fixed deposit	0.79	3.37	0.62
Interest Receivable	7.71	2.80	0.27
<b>Other Advances</b>			
Telephone Deposit	0.35	0.35	0.35
Rent Deposit	1.61	0.46	0.46
Advance Trade			0.01
Total	10.46	6.98	1.71
<b>NOTE NO. 7 Deferred Tax Asset (Net)</b>			
Depreciation as per Companies Act	0.53	1.84	1.85
Depreciation as per as per Income Tax Act	1.75	1.24	2.06
Timing difference	1.23	0.60	0.21
Deferred Tax Asset/Liability on the above	0.32	0.16	0.05
Deferred Tax Liability for the year			
Provision for Bonus	0.38	0.35	0.35
Provision for Gratuity	1.04	0.33	0.41
	1.41	0.68	0.76
Deferred Tax Liability on the above	0.37	0.18	0.20
Net Deferred Tax Liability to be taken to P& L Account	0.69	0.02	0.25
Summary :			
Deferred Tax Asset as per last year Balance Sheet	7.29	7.31	7.56
Deferred Tax Liability as per Current Year	0.69	0.02	0.25
Net Deferred Tax Asset at the end of the year	6.61	7.29	7.31

## NOTE NO. 8

## DEPRECIATION SCHEDULE AS PER COMPANIES ACT FOR THE YEAR ENDED 31.03.2020

(Rupees in Lakhs)

Particulars	Gross Block			Depreciation Block			Net Block		
	As on 01.04.2019	Additions	Deletions	WDV/ Written off/ back	As on 31.03.2020	As on 01.04.2019	For the year 31.03.2020	As on 31.03.2020	As on 31.03.2019
TANGIBLE									
Plant & Machinery	9.73	0.16	-	-	9.89	9.39	0.01	9.40	0.34
Electrical Machinery	1.00	-	-	-	1.00	0.93	0.01	0.94	0.07
Air Conditioner	0.30	-	-	0.00	0.30	0.28	0.00	0.29	0.02
Canon Xerox	0.52	-	-	-	0.52	0.43	0.02	0.45	0.09
Furniture & Fixtures	9.70	-	-	0.02	9.71	9.21	0.02	9.23	0.49
Computers & Accessories	4.08	1.37	-	-	5.46	4.04	0.15	4.18	0.05
Software	-	2.02	-	-	2.02	-	0.31	0.31	-
TOTAL	25.33	3.55	-	0.02	28.90	24.27	0.53	24.80	1.06

**S.I. Capital & Financial Services Ltd., Chennai**

(Rupees in Lakhs)

	31.03.2020	31.03.2019	01.04.2018
<b>NOTE NO. 9 Other Non Financial Assets</b>			
Indirect tax credits available for utilization	7.93	6.31	5.24
Advance Income Tax, TDS/ Refund Due	1.77	2.15	4.48
Others	0.04	-	-
Total	9.75	8.45	9.72

**NOTE NO. 10 Other Financial Liabilities :**

a. Interest accrued			
b. Unpaid dividends			
c. Application money received for allotment of securities to the extent refundable and interest accrued thereon			
d. Unpaid matured deposits and interest accrued thereon			
e. Unpaid matured debentures and interest accrued thereon			
f. Margin money		-	-
g. Others			
Security Deposit*	5.00		

\* Under Section 45I(bb) of the RBI Act, the term "deposit" includes and shall be deemed always to have included any receipt of money by way of deposit or loan or in any other form, but does not include money received in the ordinary course of business by way of Security Deposit. Hence the security deposit of Rs.5 Lakhs does not come under the purview of "deposits".

**NOTE NO. 11 Provisions**

a. Provisions for employee benefits			
Bonus	0.38	0.35	0.35
Gratuity	2.02	4.43	4.10
Provident fund	0.03	0.09	0.08
Salary	-	0.44	0.60
b. Others			
Rent Payable	0.16	0.12	0.12
Expense Payable	0.13	-	-
Audit fee Payable	1.08	1.08	1.18
GNSA Infotech Ltd	0.52	0.15	0.02
Income Tax Provision	-	-	14.50
Contingent Provision against standard asset	-	-	0.74
c. Provision retained on sale of non performing assets as per RBI	1.01	0.86	-
Total	5.32	7.52	21.69

**S.I. Capital & Financial Services Ltd., Chennai**

(Rupees in Lakhs)

**31.03.2020      31.03.2019      01.04.2018**

**NOTE NO. 12 Other Non-Financial Liabilities**

a. Statutory Dues	-	-	-
GST Payable	-	0.13	0.10
TDS Payable	0.14	-	-
b. Other advances	0.00	-	-
c. Others	-	0.01	-
<b>TOTAL</b>	<b>0.14</b>	<b>0.15</b>	<b>0.10</b>

**NOTE NO. 13**

**EQUITY SHARE CAPITAL**

(Rupees in Lakhs)

	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>AUTORISED</b>			
35,00,000 number of equity shares @ Rs.10/- each	350.00	350.00	350.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>			
Issued & Subscribed and paidup fully			
30,00,000 number of equity shares @ Rs.10/- each	300.00	300.00	300.00

Reconciliation of number of equity shares and share capital	Number of Equity Shares	Amount in Rs.	Number of Equity Shares	Amount in Rs.	Number of Equity Shares	Amount in Rs.
At the beginning of the year	30,00,000	300.00	30,00,000.00	300.00	30,00,000	300.00
Add : Issued during the year	Nil	Nil	Nil	Nil	Nil	Nil
Outstanding at the end of the year	30,00,000.00	300.00	30,00,000.00	300.00	30,00,000	300.00

**Details of Shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders	Number of Equity Shares	% of Ratio	Number of Equity Shares	% of Ratio	Number of Equity Shares	% of Ratio
Mr. V A Kurien	-	-	7,56,010.00	25.20	756010	25.2
Mrs. Susie Abraham	-	-	1,78,700.00	5.96	178700	5.96
Mr. Sanjay Arjundas Wadhwa	-	-	2,89,300.00	9.64	284300	9.48
M/s.Southern Warehousing Co. Pvt Ltd	-	-	5,04,100.00	16.80	504100	16.8
Sharewealth Securities Limited	18,27,850	60.93	-	-	-	-

**Disclosures :**

All the equity shares carry equal rights and obligations rights including for dividend and with respect to voting rights.

No equity shares were allotted as fully paidup by way of bonus shares during the preceeding five years.

(Rupees in Lakhs)

**31.03.2020    31.03.2019    01.04.2018**

**NOTE NO. 14 OTHER EQUITY**

(I) Security Premium

(II) Retained Earnings

Balance at the beginning of the year	(47.43)	(37.42)	(37.42)
Add : Profit / Loss for the year	(6.09)	(7.26)	-
	(53.51)	(44.68)	(37.42)
Less : Income tax of earlier years w/off	0.30	2.75	-
Add : Life of fixed assets value lapsed	0.02	-	-
Balance at the end of the year	(53.80)	(47.43)	(37.42)

(III) Other Reserve :

Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

Balance at the beginning of the year	28.69	28.69	28.69
Add : Transferred during the year	-	-	-
Balance at the end of the year	28.69	28.69	28.69

TOTAL	(25.10)	(18.73)	(8.73)
-------	---------	---------	--------

(Rupees in Lakhs)

**31.03.2020    31.03.2019**

**NOTE NO. 15 INTEREST INCOME**

On Financial assets measured at amortised cost:

Interest on Loans		7.92	13.34
Interest income from investments		-	-
Interest on deposits with Banks		5.47	3.06
Other Interest Income - specify			
(Interest on Income Tax Refund)		0.03	0.02
TOTAL		13.42	16.42

**NOTE NO. 16 NET GAIN / (LOSS) ON FAIR VALUE CHANGE**

(A) Net gain / (loss) on financial instruments at fair value through profit or loss

(i) on trading portfolio

'--- Investment in mutual funds		7.86	5.72
---------------------------------	--	------	------

**S.I. Capital & Financial Services Ltd., Chennai**

	(Rupees in Lakhs)	
	31.03.2020	31.03.2019
'--- Derivatives	-	-
'--- Others	-	-
investment in Shares	-	0.82
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others		-
Total gain / (loss) on fair value changes (C)	7.86	6.55
Fair value changes		
- Realised	7.86	6.55
- Unrealised		-
Total Net gain / (loss) on fair value changes (D) to tally with (C)	7.86	6.55
<b>NOTE NO. 17 OTHER INCOME</b>		
Net gain/(loss) on derecognition of property, plant and equipment	-	1.43
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)( to be specified)	-	-
Others ( to be specified) *		
Processing Charges Collected	-	-
TOTAL	-	1.43
<b>NOTE NO. 18 FINANCE COST</b>		
Interest on loan against bank deposit	0.46	-
Other interest expense (specify)		
Bank charges	0.12	0.20
Interest on late payment of TDS and GST	0.00	0.03
TOTAL	0.58	0.24
<b>NOTE NO. 19 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	11.81	12.42
Contribution to provident and other funds	0.51	0.59
Staff welfare expenses	0.18	0.18
Others (to be specified)		
Bouns	0.38	0.14
Gratuity	1.19	0.33
Staff Insurance	0.10	0.02
TOTAL	14.15	13.68

**S.I. Capital & Financial Services Ltd., Chennai**

(Rupees in Lakhs)

	<b>31.03.2020</b>	<b>31.03.2019</b>
<b>NOTE NO. 20 OTHER EXPENSES</b>		
Rent, taxes and energy costs	3.65	6.36
Repairs and maintenance	1.15	1.31
Communication Costs	0.69	0.47
Printing and stationery	0.30	0.53
Director's fees, allowances and expenses	1.20	1.20
Auditor's fees and expenses	1.18	1.18
Legal and Professional charges	4.05	6.34
Insurance	-	0.06
Other expenditure (to be specified)		
Contingency Provisions	0.15	0.12
Travelling & Conveyance	1.11	0.67
General Expenses	0.08	0.06
Corporate Expenses	9.66	2.89
Directors Sitting fee	0.17	0.19
Share trading expenses	0.07	0.14
Credit card membership	0.06	0.60
Written off	-	3.55
<b>TOTAL</b>	<b>23.52</b>	<b>25.66</b>



**Note: 21 - Notes forming part of the financial statements for the year ended 31st March 2020.**

**B. NOTES TO ACCOUNT**

**15** The balance in various accounts in financial / non financial liabilities are subject to confirmation and reconciliation.

They have been shown as per values appearing in the books of accounts.

**16 Related Parties disclosure as per IND AS 24**

a) List of Parties - Directors, Group concerns and Associates.

- i) Southern Warehousing Company Pvt Ltd
- ii) Green Meadows Holiday Resorts Pvt Ltd
- iii) Andabor Cold Stores Pvt Ltd
- iv) Southern Holdings And Investment (Chennai) Pvt Ltd
- v) Mr. V.A. Kurien
- vi) Mrs. Susie Abraham
- vii) Mrs. Mary Rodrigues
- viii) Mrs. Suzanne Venglet
- ix) Sharewealth Securities Limited (Holding Company)

b) Related Party Transactions:	31.03.2020	31.03.2019
i) Salary paid to		
Mrs. Mary Rodrigues	1.20	1.20
ii) Rent Paid to		
Mrs. Mary Rodrigues	0.90	1.20
Mrs. Suzanne Venglet	0.45	-

Name of the Associate Concerns/ related parties	Amount outstanding as on 31.03.2020	Maximum amount of transaction during the year	Amount outstanding as on 31.03.2019	Maximum amount of transaction during the year
Sharewealth Securities Limited (Trading account)	0.00	100.00	Nil	Nil
Southern Holdings and Investment (Chennai) Pvt Ltd	Nil	24.66	24.00	202.88
Mr. V.A Kurien	Nil	Nil	Nil	116.05
Mrs. Susie Abraham	Nil	Nil	Nil	4.00

Note : Related party relationship is as identified by the company and is relied upon by the Auditors.

**17 Segment Reporting:**

The Principal business of the company is financing long and medium term loans and dealing in foreign currency.

## S.I. Capital & Financial Services Ltd., Chennai

Though the company has earned income from other sources in the form of dividend on investments, interest and profit on redemption of mutual funds, the percentage of other business income does not exceed 10% of the gross turnover of the principal business, and as such no segment reporting has been made.

### 18 Earning per Share:

Basic and Diluted	31.03.2020	31.03.2019
Weighted Average No. of Shares outstanding (Nos.)	30,00,000	30,00,000
Net Profit / (Loss) in Rupees	(6.09)	(7.26)
Earning Per Share	(0.0000020)	(0.0000024)
Nominal value of Share	Rs. 10/-	Rs. 10/-

### 19 Taxation

#### Income Tax:

Provision for current tax is made on the basis of minimum alternate tax provided in accordance with the provisions of Income Tax Act, 1961.

#### Deferred Tax:

The deferred tax for timing differences is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax asset arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. Consequently, Deferred tax asset on business loss carried forward has not been created.

Deferred Tax Asset		(Amount in lakhs)
Opening Balance		7.29
Deferred Tax for the year		
Depreciation as per Companies Act	0.53	
Depreciation as per Income Tax Act	1.75	
Timing Difference	1.23	
Deferred Tax Liability for the year - (a)		0.32
Provision for Bonus	0.38	
Provision for Gratuity	1.04	
	1.41	
Deferred Tax Liability for the year - (b)		0.37
Current year Deferred Tax Liability debited to P&L a/c (a+b)		0.69
Net Deferred Tax Asset shown in the Balance Sheet		6.61

### 20 Income from revenue operations :

- a. Interest received on loans during the year Rs.7.92 lakhs and Rs.13.34 lakhs during the previous year

**S.I. Capital & Financial Services Ltd., Chennai**

b. Income from Forex Business:	31.03.2020	31.03.2019
Sales of Currencies & Travellers Cheque	916.28	708.72
Less: Purchase of Currencies & Travellers Cheques, Service Charges paid	904.09	699.09
Sub Total - (a)	12.19	9.63
Add: Increase / ( Decrease) in Stock Closing Stock	-	-
Less: Opening Stock	-	-
Sub Total - (b)	-	-
TOTAL (a+b)	12.19	9.63

**31.03.2020                      31.03.2019**

**21 Managerial Sitting fee**

Directors' Sitting fee	0.17	0.19
------------------------	------	------

**22 Auditor's Remuneration:**

As Audit fee	0.75	0.75
As Tax audit fee including taxes	0.43	0.43
Total	1.18	1.18

**23 Earning in Foreign Exchange**

Export of Goods calculated on FOB Basis	Nil	Nil
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**24 Expenditure in Foreign Currency import on Capital Goods**

Nil                      Nil

**25** The company has not created a Special Reserve (20% of Profit) under section 45-IC of the RBI Act,1934 since the company has incurred lossess.

**26** The Schedule to the Balance Sheet of a non-banking financial company [as required in terms of paragraph 19 of Non- Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016] is annexed.

**27 Prior year Comparatives**

    Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

**28 Reconciliation Statement**

**Reconciliation as on April 1, 2018 (Date of transition to IND AS)**

<b>Particulars</b>	<b>Previous GAAP</b>	<b>Adjustments</b>	<b>IND AS</b>
<b>ASSETS :</b>			
Financial Assets :			
Cash and Cash equivalents	40.89	-	40.89
Loans	37.24	-	37.24
Investments	211.22	-	211.22
Other financial assets	1.71	-	1.71
Total	291.06	-	291.06
Non-Financial Assets :			
Deferred tax assets (Net)	7.31	-	7.31
Property, Plant and equipment	4.97	-	4.97
Other non-financial assets	9.72	-	9.72
Total	22.00	-	22.00
Total Assets	313.06	-	313.06
<b>LIABILITIES :</b>			
Non-Financial Liabilities			
Provisions	21.69	-	21.69
Other non-financial liabilities	0.10	-	0.10
Total	21.79	-	21.79
<b>EQUITY</b>			
Equity Share Capital	300.00	-	300.00
Other Equity	-8.73	-	-8.73
Total	291.27	-	291.27
Total Liabilities	313.06	-	313.06

**S.I. Capital & Financial Services Ltd., Chennai**

**Reconciliation as on March 31, 2019**

<b>Particulars</b>	<b>Previous GAAP</b>	<b>Adjustments</b>	<b>IND AS</b>
<b>ASSETS :</b>			
Financial Assets :			
Cash and Cash equivalents	152.91	-	152.91
Loans	47.46	-	47.46
Investments	64.78	-	64.78
Other financial assets	6.98	-	6.98
Total	272.13	-	272.13
Non-Financial Assets :			
Deferred tax assets (Net)	7.29	-	7.29
Property, Plant and equipment	1.06	-	1.06
Other non-financial assets	8.45	-	8.45
Total	16.81	-	16.81
Total Assets	288.93	-	288.93
<b>LIABILITIES :</b>			
Non-Financial Liabilities			
Provisions	7.52	-	7.52
Other non-financial liabilities	0.15	-	0.15
Total	7.67	-	7.67
<b>EQUITY</b>			
Equity Share Capital	300.00	-	300.00
Other Equity	-18.73	-	-18.73
Total	281.27	-	281.27
Total Liabilities	288.93	-	288.93

**Reconciliation of Profit or Loss for the period March 31, 2019**

<b>Particulars</b>	<b>Previous GAAP</b>	<b>Adjustments</b>	<b>IND AS</b>
<b>REVENUE FROM OPERATIONS :</b>			
Interest Income	16.42	-	16.42
Dividend Income	0.17	-	0.17
Net gain on fair value changes	6.55	-	6.55
Sale of Products	9.63	-	9.63
<b>Total Revenue from Operations</b>	<b>32.76</b>		<b>32.76</b>
Other Income	1.43	-	1.43
<b>Total Income</b>	<b>34.19</b>	<b>-</b>	<b>34.19</b>
<b>EXPENSES :</b>			
Finance Costs	0.24	-	0.24
Employee Benefits Expenses	13.68	-	13.68
Depreciation, amortization and impairment	1.84	-	1.84
Others Expenses	25.66	-	25.66
<b>Total Expenses</b>	<b>41.42</b>	<b>-</b>	<b>41.42</b>
<b>Profit / (Loss) before exceptional items and tax</b>	<b>-7.24</b>	<b>-</b>	<b>-7.24</b>
Exceptional Items	-	-	-
<b>Profit / (Loss) before tax</b>	<b>-7.24</b>	<b>-</b>	<b>-7.24</b>
<b>Tax Expenses :</b>			
(1) Current Tax	-	-	-
(2) Deferred Tax	0.02	-	0.02
<b>Profit / (Loss) for the Period</b>	<b>-7.26</b>	<b>-</b>	<b>-7.26</b>
Other Comprehensive Income	-	-	-

**Notes:-**

**1. Property, Plant and Equipment and Intangible assets:**

Ind AS permits a first-time adopter to continue with the carrying value for all of its Property, Plant and Equipment and intangible assets as recognised in its Indian GAAP at the date of transition as deemed cost, after making necessary adjustments for decommissioning liabilities. The Company has used Ind AS 101 exemption and continued with the carrying value as recognised in Indian GAAP as deemed cost on the transition date.

**2. Statement of Cashflows:**

Transition from Indian GAAP to IND AS had no material impact on cash flow statements

**3. Other Matter:**

Transition from Indian GAAP to IND AS had no material impact on financial statement and hence not considered

As per my separate report of even date

CA. A M Thomas

Chartered Accountant

Membership No. 022119

UDIN : 20022119AAAAAB8812

Place: Chennai

Date: 29.07.2020

For and on behalf of the Board

T B Ramakrishnan

Chairman

DIN: 01601072

Jitha Chummar

Chief Financial Officer

Aneetta C Vilson

Company Secretary

**S.I. Capital & Financial Services Ltd., Chennai**

Schedule to the Balance Sheet of a Non-Banking Financial Company  
(As required in terms of Paragraph 19 of Non-Banking Financial Company -  
Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(Rs. in Lakhs)

	Particulars	Amount Outstanding	Amount Overdue
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid	Nil	Nil
	a Debentures: Secured & Unsecured (other than falling within the meaning of public deposit*)	Nil	Nil
	b Deferred Credits	Nil	Nil
	c Term Loans	Nil	Nil
	d Inter-corporate loans and borrowing	Nil	Nil
	e Commercial Paper	Nil	Nil
	f Public Deposits*	Nil	Nil
	g Other Loans (specify nature)	Nil	Nil
	*Please see Note 1 below		
2	Break-up of (1)(f) above (Outstanding Public Deposits inclusive of interest accrued thereon but not paid)		
	a In the form of Unsecured Debentures	Nil	Nil
	b In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	c Other Public Deposits	Nil	Nil
	*Please see Note 1 below		
	Assets side	Amount outstanding	
3	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
	a Secured	48.61	
	b Unsecured	10.46	
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	i Lease assets including lease rentals under sundry debtors: Financial Lease and Operating	Nil	



	ii	Stock on hire including hire charges under sundry debtors: Assets on hire & Repossessed Assets	Nil
	iii	Other loans counting towards asset financing activities Loans where assets have been possessed and Loans other than (a) above	Nil
5		Break-up of Investments	
		Current Investments	
	1	Quoted Shares	
		a) Equity	Nil
		b) Preference	Nil
		Debentures and Bonds	Nil
		Units of mutual funds	100.00
		Government Securities	Nil
		Others (please specify)	Nil
	2	Unquoted Shares	
		a) Equity	Nil
		b) Preference	Nil
		Debentures and Bonds	Nil
		Units of mutual funds	Nil
		Government Securities	Nil
		Others (please specify)	Nil
		Long Term Investments	
	1	Quoted Shares	
		a) Equity	1.01
		b) Preference	Nil
		Debentures and Bonds	Nil
		Units of mutual funds	Nil
		Government Securities	Nil
		Others (please specify)	Nil
	2	Unquoted Shares	
		a) Equity	Nil

	b) Preference	Nil		
	Debtures and Bonds	Nil		
	Units of mutual funds	Nil		
	Government Securities	Nil		
	Others (please specify)	Nil		
6	Borrower group-wise classification of assets financial as in (3) and (4) above: Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties	Nil	Nil	Nil
	Subsidiaries	Nil	Nil	Nil
	Companies in the same group	Nil	Nil	Nil
	Other related parties	Nil	Nil	Nil
2	Other than related parties	48.61	10.46	59.07
	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
	Related Parties**	Nil	Nil	
	Subsidiaries	Nil	Nil	
	Companies in the same group	Nil	Nil	
	Other related parties	Nil	Nil	
	Other than related parties			
	a) Shares	2.85	1.01	
	b) Mutual Fund	-	100.00	
	Total	2.85	101.00	
8	Other Information			
	Particulars	Amount		
i.	Gross Non Performing Asset			
	Related Parties	Nil		
	Other than related parties	Nil		
ii.	Net Non Performing Assets			
	Related Parties	Nil		
	Other than related parties	Nil		
iii.	Assets acquired in satisfaction of debt	Nil		

Notes:

- |   |   |
|---|---|
| 1 | As defined in point xxv of paragraph 3 of Chapter – II of these Directions  |
| 2 | Provisioning norms shall be applicable as prescribed in these Directions  |
| 3 | All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above. |

