



3rd Annual Report

2020-2021

StockHolding Securities IFSC Limited



Mission Statement

“To be a world class technology driven and client focused market leader in financial and technical services at GIFT IFSC.”

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BOARD OF DIRECTORS (as on August 31, 2021)

Ramesh N.G.S.	Chairman (Non Executive)
R. Anand	Director
Jhummi Mantri	Director
Kanaksabapathy Kumar	Independent Director
Vinay E Purohit	Managing Director & CEO

Management Team

Arati Bhatt	Chief Financial Officer
Kirity Pareek	Company Secretary & Head Compliance

Statutory Auditors	M/s. P C Rathod & Co., Chartered Accountants
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Banker	ICICI Bank Limited Kotak Mahindra Bank Limited State Bank of India HDFC Bank Limited
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Registered Office	Unit 518, 5th Floor, Hiranandani Signature Tower Block 13B, Zone -1, GIFT SEZ, Gift City, Gandhinagar 382355 Tel: +91 – 79- 6180 0210 CIN: U65990GJ2018GOI103278
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Directors' Report

To the Members,

Your Directors' are pleased to present the Third Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended March 31, 2021.

Financial Performance

Pursuant to the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, your Company has adopted the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

During the period ended March 31, 2021, your company has reported a gross income of USD 19,617 (Rs.14,55,573). The Profit/(Loss) after tax was USD (2,49,150) i.e., (Rs (1,84,71,636)). The Total Comprehensive Income for the year was USD (2,48,647) i.e., (Rs. (2,18,51,873)). The financial results are summarized below:

Particulars	2020-21 (Amt in USD)	2020-21 (Amt in INR)	2019-20 (Amt in USD)	2019-20 (Amt in INR)
Total Income	19,617	14,55,573	18,744	13,28,591
Total Expenditure	2,69,119	199,53,059	239,447	1,70,35,608
Profit/ (Loss) Before Tax	(249,502)	(184,97,486)	(220,703)	(1,57,07,017)
Profit/ (Loss) After Tax	(249,150)	(1,84,71,636)	(220,181)	(1,56,67,668)
Total Comprehensive Income	(248,647)	(2,18,51,873)	(221,076)	(40,95,489)
Net Worth	16,02,176	11,73,71,522	18,50,822	13,92,23,395
Book Value per Equity Share of Rs 10	0.1068	7.82	0.1234	9.28
Earning per share	(0.02)	(1.23)	(0.01)	(1.04)

Dividend

In view of the loss incurred by the company during the year under review, your Board of Directors do not recommend any dividend for the financial year 2020-21

Transfer to reserves

In view of the loss incurred by the company during the year under review, your Board of Directors do not recommend appropriating any amount to be transferred to General Reserves for the financial year 2020-21.

StockHolding Securities IFSC Limited (SSIL) at IFSC, Gift City

Your Company has its presence at IFSC, Gift City and is registered with Securities and Exchange Board of India (SEBI). Your company has memberships of both the international exchanges at GIFT IFSC as a Broker (Trading Member) and is also registered as a Clearing Member with both the Clearing Corporation at GIFT IFSC.

At GIFT IFSC, your company offers trade execution services on both the exchanges and Clearing and Settlement services (including risk management, collateral management and related services), to intermediaries and investors.

Your company is the first to be registered with both the International Exchanges as a Segregated Nominee Account Provider (SNAP) under the regulator approved Segregated Nominee Account Structure (SNAS).

Business and Operations review

Your Company commenced operations on October 31, 2019. During the period ended March 31, 2021, your company was successful in securing mandates from few Segregated Nominee Account providers at IFSC to offer them Trading and Clearing Services.

Your company is among the top institutional service provider and a preferred choice of large customers.

IFSC Authority Act 2019

The IFSC Authority Act, 2019, was notified on December 20, 2019 and the IFSC Authority as the unified regulator for capital markets, banking, insurance and pension at Gift IFSC, commenced operations from October 1, 2020. The authority has since then vide various regulations and circulars provided the needed regulatory impetus to IFSC at Gift City as a jurisdiction to place it at par with the leading global financial centres.

Some of the key regulations and circulars notified by the IFSC Authority related to capital markets include:

- i. International Financial Services Centres Authority (Banking) Regulations, 2020 covers various aspects of regulations for setting up a banking unit, permitted business activities, applicable prudential norms and related regulatory compliances, various aspects on key operational areas including KYC and anti-money laundering norms. The regulations provide the requisite directions for various business and operational aspects for the capital market operations and providing banking facilities for eligible investors at GIFT IFSC.
- ii. International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020 enables the setting up of an International Bullion Exchange at GIFT IFSC and the entire eco-system for enabling and settling of trades in permitted bullion contracts.
- iii. International Financial Services Centres Authority (Finance Company) Regulations, 2021 enables an entity at GIFT IFSC to offer diverse products and services related to securities market while also enabling lending activities on various counts including aircraft leasing and ship leasing. This regulation enables ease of doing business at GIFT IFSC and accords an opportunity to offer seamless services to investors at GIFT IFSC.
- iv. Market Access through Authorized Persons provides the framework for stock brokers to offer market access to the international exchanges at GIFT IFSC to its investors through duly appointed Authorised Persons based in FATF compliant foreign jurisdictions and GIFT IFSC. This will enable to reach out to investors in various jurisdictions and expand the market access to such the investors with a local Authorised Person to service their requirements. SSIL is in advanced stages of activating the Authorised Person Channel to reach out to global investors.
- v. Framework for listing and trading of Depository Receipts in the International Financial Services Centre has enabled the listing of Depository Receipts at the IFSC exchanges and offers yet another product to investors.
- vi. Amendments have been made to the Alternate Investment Funds regulations relaxing various requirements including permitting of leverage-based investments enabling GIFT for AIF's in IFSC.
- vii. Framework for recognition of a Custodian of Assets / Securities stipulates the various requirements and framework for enabling custodian of securities at IFSC. Stock Holding Corporation of India Limited, India's Premier Custodian as also the Holding company of SSIL has obtained registration with IFSC Authority to offer custodian services at GIFT IFSC through its separate presence as a branch at Gift IFSC. This will enable them to offer seamless services to investors and funds for their investment requirements at ISFC and India Domestic markets.
- viii. Framework for enabling Ancillary services at International Financial Services Centre enables the entities to offer to, investors, funds and other entities at GIFT IFSC to avail of various ancillary and support services for their requirements.

Seamless conduct of trading and settlements during the Lockdown due to Covid-19 pandemic

The Ministry of Home Affairs order laid down the measures to be taken by departments of the Government of India and the State Governments for containment of Covid-19 pandemic. The Order while providing for the commercial establishments to operate as Work from Home, exempted 'essential services'. SEBI has notified the capital market services, being part of were exempted from such closures. Accordingly, as the GIFT IFSC exchanges, being a SEBI recognized stock exchange, and your company being a member of such exchanges, it continued to offer trading and clearing services even in the Lockdown period.

The management of your company continues to closely monitor it to ensure safety of all its staff members, the normal conduct of the business operations and prompt identification and resolution of issues, if any. It also adheres to all Government / other Authorities Notifications, as required.

Subsidiaries

Your Company does not have any subsidiary.

Dematerialisation of equity shares of your Company

The equity shares of your Company are admitted with National Securities Depository Limited (NSDL). M/s. Link Intime India Pvt Limited has been appointed as Registrar and Transfer Agent. As on date 100% of your Company's equity shares are in dematerialised form.

Details to be reported u/s 134 (3) (ca) of the Companies Act, 2013

No frauds have been noticed/ or reported by Auditors during the year.

Directors' Responsibility Statement

To the best of their knowledge and belief, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013 and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2021 and of the profit and loss of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls were in place and such financial controls are adequate and operating effectively;
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Directors and Key Managerial Personnel (KMP)

Your Company has five Directors which includes one Woman Director and one Independent Director. The Independent Director has given declaration that he meets the criteria of Independence as laid under Section 149 of the Companies Act, 2013. The Remuneration of Non-Executive Directors comprises sitting fees for attending the meetings of Board/ Committees of the Board. None of the Directors were entitled to Stock Options.

Shri Vinay E Purohit, Managing Director and CEO, Ms. Kirty Pareek, Company Secretary and Smt. Arati Bhatt, Chief Financial Officer are the Key Managerial Personnel of the Company.

Your directors appointed Ms. Jhummi Mantri as additional Director as a nominee of IFCI Limited w.e.f. April 6, 2021. Ms. Jhummi Mantri is a qualified Chartered Accountant and since 2001 employed with IFCI Limited. She has nearly 20 years of experience across functions like accounting, taxation, treasury, investment, foreign exchange and resource raising profiles at IFCI. Ms. Jhummi Mantri is currently designated as General Manager and heads the Corporate Accounts and Taxation and Consolidated Treasury Departments.

Ms. Meera Ranganathan, Director has resigned from directorship w.e.f. April 22, 2021. The Board places on records appreciation for the valuable contribution and guidance Ms. Meera Ranganathan extended during her tenure as a Director and even in the initial stages from conceiving the project and obtaining requisite approvals, the formation of company and till the date of her resignation.

Number of Meetings of the Board

During the year ended March 31, 2021, five Board Meetings were convened and held. The intervening gaps between the meetings were within the period prescribed under the Companies Act, 2013. The details of meetings are given in the Corporate Governance Report.

Audit Committee

The Company is exempt from constituting an Audit Committee. However, in terms of best corporate governance practices and transparency, the Company has in its Board Meeting held on April 25, 2019, constituted an Audit, Risk and New Initiatives Committee. The Committee held five meetings during the year ended March 31, 2021.

Towards furthering the governance norms, your Board has in their meeting held on April 29, 2021, 2021 segregated the existing Audit, Risk & New Initiative Committee and formed three separate committees i.e., The Audit Committee, The Nomination and Remuneration Committee and The Risk and New Initiatives Committee. This will also enable a better focus on various business initiatives.

Auditors

Being subsidiary of a Government Company, your Company is also a Government Company. The Office of Comptroller and Auditor General of India (CAG) vide its letter dated 20 August, 2020 had appointed M/s. P.C Rathod & CO., Chartered Accountants as the Statutory Auditors of your Company under Section 139 of the Companies Act, 2013 for the financial year 2020-21.

Statutory Auditors Report

The Office of Comptroller and Auditor General of India (CAG) vide its letter dated 20 August, 2020 had appointed M/s. P.C. Rathod & Co, Chartered Accountants as Statutory Auditors of your Company under section 139 of the Companies Act, 2013 for the financial year 2020-21.

The Auditors' Report does not contain any qualifications, reservations, adverse remarks.

Internal Auditors Report

Your company has appointed M/s Manubhai & Shah LLP, Chartered Accountants, Ahmedabad to carry out an internal audit of all functions and activities of the company as per the scope approved by the Audit Risk and New Initiative Committee of the Board. The quarterly internal audit reports have been placed before the Committee and the Board.

Issue of Shares

Your company has not issued any fresh shares during the financial year 2020-21.

Particulars of Loans, Guarantee and Investments

Your Company has not given any loans, guarantees and investments within the purview of Section 186 of the Companies Act, 2013.

Related Party Transactions

All the Related Party Transactions (RPTs) that were entered into during the financial year were on arms' length basis and were in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 as well as the Policy on Related Party Transaction adopted by the Company. As prescribed under the provisions of section 177(4) of the Companies Act, 2013, RPTs are approved and recommended to the Board by the Audit Committee. None of the transactions with related parties falls under the scope of section 188(1) of the Act.

All the RPTs have been approved by the Board/ Audit Committee on the strength of Management representation that they are in the ordinary course of business at arm's length price.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies Act, (Accounts) Rules, 2014 is annexed as **Annexure A** to this Report.

Significant and Material Orders Passed by the Regulators or Courts or Tribunal

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Details of Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

The Company has neither made any application nor any proceedings are pending under The Insolvency and Bankruptcy Code, 2016 during the year under review. Therefore, there are no details required to be disclosed, as the said clause is not applicable as on year ended 31.03.2021.

The details of difference between amount of the Valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

The Company has not availed any one-time settlement facility, during the year under review, therefore providing of details with respect to difference in the amount of valuation done at the time of one time Settlement and the Valuation done while taking loan from the Banks or Financial Institutions does not apply to the company.

Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risk in a proactive and efficient manner. Your company has a Board adopted Risk Management Policy. The Audit, Risk and New Initiatives Committee of the Board inter-alia reviews various risks your Company is exposed to and considers the mitigants suggested by the business heads/ departmental heads. Further, the Board has in its meeting held on April 29,

segregated the existing Audit, Risk & New Initiative Committee to constitute the Risk and New Initiative Committee for enhanced corporate governance and better focus on various business initiatives.

Code of Conduct to regulate, monitor and report trading

The Securities and Exchange Board of India [Prohibition of Insider Trading Regulations, 2015] (Regulations) inter alia provides that market intermediary registered with SEBI is mandatorily required to formulate a Code of Conduct to regulate, monitor and report trading by its employees. Your Company being a International Financial Services Authority (IFSCA)/ Securities and Exchange Board of India (SEBI) regulated intermediary has formulated, implemented and conforms to Code of Conduct to regulate, monitor and report trading by its employees / Directors.

Corporate Social Responsibility

The provisions of section 135 of the Companies Act, 2013 in relation to Corporate Social Responsibility are not applicable to the Company for a period of five years from the date of commencement of Business as per the exemption notification no. G.S.R. 08(E) dated January 4, 2017 of the Ministry of Corporate Affairs.

Corporate Governance

Your Company is not a listed entity. Nevertheless, it endeavours to comply with Corporate Governance norms. Report on Corporate Governance is annexed at Annexure B.

Particulars of Employees

None of the employees of your Company were in receipt of remuneration in excess of the limits as laid down under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Fixed Deposits

The Company has not accepted any Fixed Deposits from the public during the financial year 2020-21. Hence, no information is required to be appended to this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of energy & technology absorption

Your Company does not carry any manufacturing activities. However, it has taken steps towards conservation of energy and continues to use latest technologies for improving the productivity and quality of its services. Your Company uses energy efficient LED lights equipped with latest technology having features of lower power usage and improved performance. Your Company is using energy efficient chilled water cooling for air conditioning.

Foreign exchange earnings and outgo

The functional currency of your Company is USD and the presenting currency is INR. Hence, for the purpose of the reporting of foreign exchange earnings and outgo, any earning in currency other than USD is considered while the conversion of currency from USD to INR (for meeting expenses) is reported herein.

Foreign exchange earnings and outgo during the year under review:

Foreign Exchange earnings - Nil

Foreign Exchange outgo – *USD 1,62,000

(* Rs 1,19,85,820/- credited into Special Non- Resident Rupee Account for incurring expenses)

Acknowledgements

The Board places on record its deep appreciation for the excellent support of Government of India, the Governments of Gujarat & the concerned Government departments /agencies, International Financial Services Authority (IFSCA), Securities and Exchange Board of India (SEBI), Reserve Bank of India and the Central Excise Customs and Service tax at IFSC, Gift City. The Board also expresses its sincere thanks to Gujarat International Finance Tec-City (Gift City), Kandla Special Economic Zone (KASEZ), National Stock Exchange of India Limited (NSEIL), Bombay Stock Exchange Limited (BSE), India International Exchange (IFSC) Limited, India International Clearing Corporation (IFSC) Limited, NSE IFSC Limited, NSE IFSC Clearing Corporation Limited, ICICI Bank, Volupia Developers Private Limited, Banks, Depositories, IFCI Limited, Stock Holding Corporation of India Limited and its subsidiary companies, Board of Stock Holding Corporation of India Limited and the clients and the Shareholders of Stock Holding Securities IFSC Limited for their cooperation and support in various spheres of your Company's activities. The Board of Directors also expresses its gratitude for the exemplary services rendered by the employees of your Company.

**For and on behalf of the
Board of Directors**

**Place : Mumbai
Date : August 31, 2021**

**Ramesh N.G.S.
Non Executive Chairman**

FORM AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 (3) (h) 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 Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

	(a) Name (s) of the related party and nature of relationship (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts / arrangements/transactions (d) Salient terms of the contracts or arrangements or transactions including the value, if any (e) Justification for entering into such contracts or arrangements or transactions (f) date(s) of approval by the Board (g) Amount paid as advances, if any: (h) Date on which the special resolution was passed (i) Amount paid as advances, if any (j) Date on which special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act,2013	Not Applicable
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2. Details of material contracts or arrangement or transactions at arm's length basis: None

	(a) Names(s) of the related party and nature of relationship (b) Nature of contracts/arrangements/transactions (c) Duration of the contracts/arrangements/transactions (d) Salient terms of the contracts or arrangements of transactions including the value, if any (e) Date(s) of approval by the Board ,if any (f) Amount paid as advances, if any	Not Applicable
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**For and on behalf of the
Board of Directors**

**Place: Mumbai
Date : August 31, 2021**

**Ramesh N.G.S.
Non- Executive Chairman**

REPORT ON CORPORATE GOVERNANCE

(forming part of Directors' Report for financial year ended March 31, 2021)

Your Company's philosophy on Code of Governance

The Company is not a listed entity. Nevertheless, it endeavours to comply with Corporate Governance norms as specified under SEBI Listing and Disclosure Regulation 2015. The Company's philosophy on corporate governance recognizes the accountability of the Board & Officers and the importance of decisions to all constituents, including customers, employees, investors, business associates, regulatory authorities, and the Community at large. Your Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a period of time.

Board of Directors

The Board sets the strategic goals for your Company, defines its policies and oversees the implementation of these policies to enable actions that would lead to the attainment of the goals. The Board consists of 5 members, including one independent director. The day-to-day management of the Company vests in the hands of the MD & CEO.

The details of Directorships held by some of the Directors as on August 31, 2021 in other companies are as follows:

Shri Ramesh N.G.S.

Sr.No	Name of Company/Institution	Nature of interest
1	Stock Holding Corporation of India Limited	Managing Director & CEO
2	Stockholding Document Management Services Limited	Non Executive Chairman
3	SHCIL Services Limited	Non Executive Chairman
4	StockHolding Securities IFSC Limited	Non Executive Chairman
5	Indian Clearing Corporation Limited	Member Advisory Committee
6	Wonder Home Finance Limited	Independent Director
7	IFIN Securities Finance Limited	Non Executive Chairman
8	IFIN Credit Limited	Non Executive Chairman
9	IFCI Financial Services Limited	Non Executive Chairman
10	IFIN Commodities Limited	Non Executive Chairman

Shri K. Kumar

Sr.No	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Independent Director
2	PGIM India Trustees Private Limited	Independent Director
3	J V Advisors LLP	Designated Partner
4	BSE Administration & Supervision Limited	Additional Non-Executive Independent Director
5	Central Depositories Services (India) Limited	Member- Regulatory Oversight Committee

Shri R. Anand

Sr.No	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Director

Ms. Meera Ranganathan *

Sr.No	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Director
2	IFIN Securities Finance Limited	Managing Director

* resigned w.e.f. April 22, 2021. Details as per last submitted declaration.

Ms Jhummi Mantri**

Sr.No	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Director

**Nominee Director of IFCI Limited appointed on April 6, 2021.

Shri Vinay E Purohit

Sr.No	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Managing Director & CEO

Details of the Board Meeting and Attendance

The Board of Directors will meet at least once in every three months. Five meetings were held during the period ended March 31, 2021. Details of Board Meetings held are as follows:

Sr.No	Date of the Board Meeting	Total number of Directors on the date of the meeting	No. of Directors attended	% of Attendance
1	18.06.2020	5	5	100
2	21.07.2020	5	5	100
3	23.10.2020	5	5	100
4	22.01.2021	5	5	100
5	12.03.2021	5	5	100

Attendance of Directors at Board Meetings and Annual General Meeting during the period ending March 31, 2021:

Sr.No	Name of the Director	Attendance at the Board Meetings					Attendance at the AGM held on 23.10.2020
		18.06.2020	21.07.2020	23.10.2020	22.01.2021	12.03.2021	
1	Shri Ramesh N.G.S	√	√	√	√	√	√
2	Shri K.Kumar	√	√	√	√	√	√
3	Shri R.Anand	√	√	√	√	√	√
4	Ms Meera Ranganathan	√	√	√	√	√	√
5	Shri Vinay E Purohit	√	√	√	√	√	√

Details of Audit, Risk & New Initiative Committee and Attendance

The accounts of your Company are audited every quarter and the audited quarterly accounts along with the auditor's report and annual financial statements are placed before the Board for their approval. An Audit, Risk and New Initiative Committee has been constituted in the Board meeting held on April 25, 2019 and since then, the audited quarterly and annual financial statements are placed before the Committee for their recommendation to the Board for its approval.

The terms of reference of the Audit Committee of the Board inter alia includes the terms referred to under Section 177 (4) of the Companies Act, 2013.

As on March 31, 2021, the Audit, Risk and New Initiative Committee of the Board comprised of three members viz Shri Kanakasabapathy Kumar (Chairman), Shri R. Anand and Ms Meera Ranganathan. The details of attendance of the Directors at the Audit, Risk and New Initiative Committee meetings during the FY 2020-21 are as follows:

Sr.No	Name of the Director	Category	Attendance at the Audit, Risk & New Initiative Committee Meeting					
			18.06.2020	21.07.2020	16.10.2020	23.10.2020	21.01.2021	10.03.2021
1	Shri K.Kumar	Non Executive/ Independent	√	√	√	√	√	√
2	Shri R.Anand	Non Executive	√	√	√	√	√	√
3	Ms Meera Ranganathan	Non Executive	√	√	√	√	√	√

General Meetings

Your Company held its second Annual General Meeting (AGM) on October 23, 2020 at 301 Center Point, Dr Babasaheb Ambedkar Road, Parel, Mumbai – 400012. The meeting was conducted through video conferencing and the provisions of Companies Act, 2013 and the circulars issued by the Ministry of Corporate Affairs (“MCA”) viz; circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, were complied with while conducting the AGM through video conferencing.

Disclosures

There were no transactions of your Company of material nature with its Directors, KMP or their relatives etc. that may have potential conflict with the interest of your Company at large.

Dividend history

In view of the loss incurred by the company during the financial year 2018-19, 2019-20, and 2020-21, your company has not declared and paid any dividends.

Shareholder Information

a) Annual General Meeting

Date, Time & Venue of the Annual General Meeting

September 03, 2021, 4:00 pm, at 301 Center Point, Dr Babasaheb Ambedkar Road,
Parel, Mumbai – 400012

through video conferencing or other audio visual means

b) Dividend payment date

Not Applicable

c) Listing on Stock Exchange

The Company's shares are not listed on any stock exchange.

d) Annual Report

The Annual Report containing inter alia Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Annual Report of the company is also available on the website of the company i.e., www.stockholdingifsc.com, in a downloadable form.

e) Distribution of shareholdings as on March 31, 2021

The Company is wholly owned subsidiary of Stock Holding Corporation of India Limited (Stock Holding).

f) Address for correspondence

The Company Secretary

Stock Holding Securities IFSC Limited

518, Signature Tower, IFSC, Gift SEZ,

Gift City, Gandhinagar, Gujarat- 382355

Dated: August 31, 2021

Independent Auditor's Report

To the Members of StockHolding Securities IFSC Limited (SSIL)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Periodic financial statements of Stockholding Securities IFSC Limited (herein after referred to as 'the Company') which comprise the balances Sheet as at 31st March 2021, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the period ended on 31st March, 2021 and a summary of significant accounting policies and other explanatory information (herein after referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the Financial position of the Company as at 31st March, 2021 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the stand alone periodic financial statements are free from material misstatement. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India altogether with the independence requirements that are relevant to our audit of the periodic standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and Those Charged with Governance for the Periodic Standalone Financial Statements

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

In preparing the standalone financial statements for the period ending on 31st March 2021, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the Periodic standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (1) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Periodic standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone

financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss, the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Periodic standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under;
 - (e) on the basis of the written representations received from the directors as on 29th April, 2021 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of the remuneration paid by the Company to its directors, including managing director and whole-time director, and its manager, are not applicable to the Company as company is an IFSC Company. Hence reporting under section 197(16) of the Act is not applicable to the Company
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - (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, to the best of our information and according to the explanations given to us we state that:

- (i) there is no pending litigation against the Company
 - (ii) there are no material foreseeable losses on long term contracts including derivative contract where provision is required to be made by the Company under any law or accounting standards
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (i) As required under Section 143(5) of the Act, we enclose “Annexure C” to this Report, the directions including sub-directions issued by the Comptroller and Auditor General of India, action taken thereon and its financial impact of the accounts of the Company.

For P. C. Rathod & Co.
Chartered Accountants
(Firm Registration No: 121967W)

Bhavesh P. Rathod
Partner
Membership No.: 104690
UDIN: 21104690AAAAFF6116
Date: 29.04.2021

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the period ending on March 31, 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of physical verification of its fixed assets by which fixed assets are verified once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to the program, the fixed assets were verified during the period under audit. In our opinion and according to information and explanation given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and based on the examination of registered lease deed provided to us in respect of immovable properties that has been taken on lease and disclosed as " Right to Use " Under the sub head Other Assets under main head Noncurrent asset, the lease agreements are in the name of the Company.
- (d) The Company is in service industry and primarily offering broking and clearing services, and other related services as a capital markets intermediary. Accordingly, it does not hold any physical inventories. Hence reporting under paragraph 3(ii) of the Order is not applicable to the Company.
- (ii) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iii) To the best of our knowledge and according to the information and explanations given to us, the Company has not made any investment or provided any guarantee or security in terms of provisions of section 185 and 186 of the Act. Hence reporting under paragraph 3 (iv) of the Order is not applicable
- (iv) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted deposits from public and therefore, reporting under paragraph 3 (v) of the Order is not applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act in respect of services rendered by the Company. Hence reporting under clause 3(vi) of the order is not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise duty, Cess and other material statutory dues as applicable with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise duty, Cess and other material statutory dues as applicable in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) There were no material dues of Income Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of customs, Duty of Excise, Value Added tax as applicable that were not deposited by the Company on account of dispute.

- (vii) To the best of our knowledge and according to the explanations given to us, the Company has not taken any loans or borrowings from any financial institution, banks, government or has not issued any debentures. Hence reporting under paragraph 3 (viii) of the Order is not applicable to the Company.
- (viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans and hence reporting under clause paragraph 3(ix) of the Order is not applicable to the Company.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (x) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 197 in respect of payment of managerial remuneration are not applicable to the Company as it is an IFSC Company. Hence reporting under clause paragraph 3 (xi) of the Order is not applicable to the Company.
- (xi) To the best of our knowledge and according to the information and explanations given to us, the Company is not a nidhi company. Hence reporting under the paragraph 3(xii) of the Order is not applicable.
- (xii) In terms of Notification No G.S.R. 08(E) dated January 4, 2017 issued by the Ministry of Corporate Affairs under section 462 of the Act, the provisions of section 177 pertaining to Audit Committee are not applicable to the Company as Company is an IFSC company. To the best of our knowledge and according to the information and explanations given to us, the company is in compliance with the provisions of Section 188 pertaining to Disclosures on Related Party Transactions of the Act, as applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements for the period. Though provisions of section 188 of the Companies Act are not applicable as company being an IFSC company, disclosure requirement pertaining Related Party Transactions are fulfilled to comply with requirements of Ind AS 24 on Related Party Disclosures as a prudent accounting practice.
- (xiii) The Company has not made any private placement of shares during the period.
- (xiv) To the best of our knowledge and according to the information and explanations given to us, during the period under audit the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and thus provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Hence reporting under paragraph 3(xv) of the Order is not applicable.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For P. C. Rathod & Co.
Chartered Accountants
(Firm Registration No: 121967W)

Bhavesh P. Rathod
Partner
Membership No.: 104690
UDIN: 21104690AAAAFF6116
Date: 29.04.2021

Annexure - B to the 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")

We have audited the internal financial controls over financial reporting of Stockholding Securities IFSC Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Periodic standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding their liability of financial reporting and the preparation of Periodic standalone 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 Periodic

standalone 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 Periodic standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. C. Rathod & Co.
Chartered Accountants
(Firm Registration No: 121967W)

Bhavesh P. Rathod
Partner
Membership No.: 104690
UDIN: 21104690AAAAFF6116
Date: 29.04.2021

ANNEXURE - C

STOCKHOLDING SECURITIES IFSC LIMITED
518, SIGNATURE BUILDING, GIFT SEZ, GANDHINAGAR – 382355

Revised Directions under section 143(5) of Companies Act 2013 applicable from F.Y. 2020-21 onwards

Sr.No	Query	Reply
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Company processes accounting transactions through tally erp 9 system. The company does not process accounting transactions outside its system.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for (in case, lender is a Government company, then its direction is also applicable for statutory auditor of lender company)	Not applicable. No such instance noticed during audit period. Not applicable as the company has not got any lending.
3.	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Not applicable, as no funds received till date from central or state agencies.

In addition the auditor is required to comply with any additional Company / Sector specific directions issued under section 143(5) of the Companies act, 2013 by the Field office entrusted with the supplementary audit of the company. :

WE HAVE NOT RECEIVED ADDITIONAL COMPANY / SECTOR SPECIFIC DIRECTIONS ISSUED UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013 BY THE FIELD OFFICE ENTRUSTED WITH THE SUPPLEMENTARY AUDIT OF THE COMPANY.

For P. C. Rathod & Co.
Chartered Accountants
(Firm Registration No: 121967W)

Bhavesh P. Rathod
Partner
Membership No.: 104690
UDIN: 21104690AAAAFF6116
Date: 29.04.2021

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF STOCKHOLDING SECUTIRIES IFSC LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statement of StockHolding Securities IFSC Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 April 2021.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of StockHolding Securities IFSC Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act.

**For and on the behalf of the
Comptroller and Auditor General of India**

Place : Mumbai
Date : 27.07. 2021

(P V Hari Krishna)
Principal Director of Audit (Shipping), Mumbai

STOCKHOLDING SECURITIES IFSC LIMITED
Balance Sheet As at 31-Mar-2021

	Particulars	Note	As at 31-Mar-2021		As at 31-Mar-2020	
			INR	USD	INR	USD
I.	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant and Equipment	2a	27,12,245	38,462	23,62,273	34,052
	(b) Intangible assets	2b	2,78,334	4,020	3,47,571	5,019
	(c) Other Assets - Right to Use	2c	26,17,877	39,130	29,97,939	44,301
	(d) Financial Assets					
	(i) Advances & Deposits	3	2,38,98,044	3,25,123	1,55,37,388	2,06,105
	(ii) Trade receivables					
	(iii) Loans					
	(e) Other Financial Assets					
	(f) Deferred tax assets (net)	4	2,21,476	3,089	1,95,626	2,737
	(g) Non Current Tax Asset	5	2,10,384	2,862	1,09,698	1,455
2	Current Assets					
	(a) Inventories					
	(b) Financial Assets					
	(i) Trade receivables	6	495	7	7,553	100
	(ii) Cash and cash equivalents	6a	2,22,65,017	3,02,906	2,02,43,436	2,68,531
	(iii) Bank balances other than (ii) above	6b	1,47,00,940	2,00,000	4,71,16,188	6,25,000
	(iv) Advances and Deposits	7	8,31,87,023	11,31,724	7,14,12,386	9,47,291
	(v) Others (to be specified)	8	11,38,056	15,483	9,28,087	12,311
	(c) Current Tax Assets (Net)					
	(d) Other current assets					
	Total		15,12,29,891	20,62,804	16,12,58,145	21,46,902
II.	EQUITY AND LIABILITIES					
1	EQUITY					
	(a) EQUITY SHARE CAPITAL	9	15,00,00,000	21,42,857	15,00,00,000	21,42,857
	(b) OTHER EQUITY	10	(3,26,28,478)	(5,40,682)	(1,07,76,605)	(2,92,035)
	Total		11,73,71,522	16,02,176	13,92,23,395	18,50,822
2	Non-Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings unsecured loans	11	25,66,081	34,910	26,31,754	34,910
	(ii) Trade payables					
	(iii) Other financial liabilities (other than those specified in (b) below, to be specified)					
	(b) Provisions					
	(c) Deferred tax liabilities (Net)					
	(d) Other non-current liabilities	12	24,39,121	33,183	28,56,627	41,680
3	Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings					
	(ii) Trade and other payables	13a				
	Dues to Micro and Small enterprises		0	0	50,461	669
	Other than micro and small enterprises		1,36,66,860	1,85,932	89,29,911	1,18,456
	(iii) Other financial liabilities (other than Non current those specified in (b) below, to be specified)	13b	1,51,69,621	2,06,376	74,23,327	98,471
	(b) Other current liabilities	14	16,686	227	1,42,670	1,893
	(c) Provisions					
	(d) Current Tax Liabilities (Net)					
	Total		15,12,29,891	20,62,804	16,12,58,146	21,46,902

See accompanying notes to the Financial Statement 1 to 25

The Notes referred to above form an integral part of the Balance Sheet
As per our report of even date

For P C Rathod & Co
Chartered Accountants
Firm No. 121967W

CA BHAVESH RATHOD
PARTNER
MEM. NO: 104690

Place: Ahmedabad
Date: 29.04.2021

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

Arati Bhatt
CFO
Place: Ahmedabad

Vinay E Purohit
MD & CEO
Place: Ahmedabad

Kirty Pareek
Company Secretary

K. Kumar
Director
Place: Bangalore

STOCKHOLDING SECURITIES IFSC LIMITED

Statement of Profit and Loss for the period April 01,2020 to March 31,2021

	Particulars	Note	As at 31-Mar-2021		As at 31-Mar-2020	
			INR	USD	INR	USD
I	Revenue from Operations	16	23,175	312	16,178	228
II	Other Income	17	14,32,398	19,304	13,12,413	18,516
III	TOTAL REVENUE (I + II)		14,55,573	19,617	13,28,591	18,744
IV	EXPENSES					
	Employee Benefit Expenses	18	1,05,11,215	1,41,660	73,04,004	1,03,049
	Finance Costs					
	Depreciation and Amortization Expenses	2a,2b & 2c	16,53,084	22,490	10,67,805	14,165
	Other Expenses	19	77,88,760	1,04,969	86,63,799	1,22,233
	TOTAL EXPENSES		1,99,53,059	2,69,119	1,70,35,608	2,39,447
V	Profit/(Loss) before Tax (III-IV)		(1,84,97,486)	(2,49,502)	(1,57,07,017)	(2,20,703)
VI	Tax Expense					
	Current Tax		-	-	-	-
	Deferred Tax		(25,850)	(352)	(39,349)	(522)
VII	Profit/(Loss) for the period from Continuing Operations(V-VI)		(1,84,71,636)	(2,49,150)	(1,56,67,668)	(2,20,181)
VIII	Profit/(Loss) from Discontinuing Operations		-	-	-	-
IX	Tax Expense of Discontinuing Operations		-	-	-	-
X	Profit/(Loss) from Discontinuing Operations (after tax)		-	-	-	-
XI	Profit(Loss) for the Period(VII+X)		(1,84,71,636)	(2,49,150)	(1,56,67,668)	(2,20,181)
XII	Other Comprehensive income					
	A Items that will not be reclassified to profit or loss					
	(i) Remeasurement of defined benefit plan					
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	B Items that will be reclassified to profit or loss					
	(i) Foreign Currency translation reserve		(33,80,237)	504	1,15,72,179	(895)
	(ii) Income tax relating to items that will be reclassified to profit or loss					
	Total other comprehensive income for the period		(33,80,237)	504	1,15,72,179	(895)
	Total comprehensive income for the period (XI+XII)		(2,18,51,873)	(2,48,647)	(40,95,489)	(2,21,076)
XIII	Earnings per Equity Share	20	(1.23)	(0.02)	(1.04)	(0.01)
	-Basic		(1.23)	(0.02)	(1.04)	(0.01)
	-Diluted		(1.23)	(0.02)	(1.04)	(0.01)

See accompanying notes to the Financial Statement

1 to 25

The Notes referred to above form an integral part of the Statement of Profit and Loss
As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For P C Rathod & Co
Chartered Accountants
Firm No. 121967W

Arati Bhatt
CFO
Place: Ahmedabad

Kirty Pareek
Company Secretary

CA BHAVESH RATHOD
PARTNER
MEM. NO: 104690

Vinay E Purohit
MD & CEO
Place: Ahmedabad

K. Kumar
Director
Place: Bangalore

Place: Ahmedabad
Date: 29.04.2021

STOCKHOLDING SECURITIES IFSC LIMITED
Cash flow statement for the period ended March 31,2021

Particulars	Note	From April 01,2020 to the period ended March 31,2021	
		(Amount in INR)	(Amount in USD)
Cash flow from operating activities			
Profit / (loss) for the period		(1,84,71,636)	(2,49,150)
Depreciation and Amortisation Expenses		16,53,084	22,490
Income from Core Settlement Guarantee Fund		-	-
Foreign Currency translation reserve		(33,80,237)	504
Adjustments for Changes in operating Liability and Assets			
Trade payable		46,86,489	66,806
Remeasurement of Defined benefit Plan		-	-
Provisions			
Other Liabilities		72,02,804	97,743
Deferred Tax Asset		(25,850)	(352)
Other Assets		(2,04,38,890)	(3,07,936)
		(2,87,74,235)	(3,69,896)
Taxes paid		-	-
Net cash generated from operating activities	A	(2,87,74,235)	(3,69,896)
Cash flow from investing activities			
Purchase of Property, Plant & Equipment and Intangible Assets		(15,53,758)	(20,729)
Fixed Deposits with Banks		3,24,15,248	4,25,000
Net cash generated/(Used in) from investment activities	B	3,08,61,490	4,04,271
Cash flow from financing activities			
Proceeds from allotment of equity share			
Borrowing Unsecured Loans		(65,674)	-
Net cash generated from financing activities	C	(65,674)	-
Net increase in cash and cash equivalents	D = (A+B+C)	20,21,581	34,376
Cash and cash equivalents at the end of the period			
ICICI Bank Ltd (IBU)-USD		7,92,578	10,783
ICICI Bank Ltd (SNRR)-INR		23,45,969	31,916
ICICI Bank Client Account-USD		82,09,152	1,11,682
ICICI BANK IICCL Settlement Account-USD		36,13,903	49,166
ICICI BANK NICCL Settlement Account- USD		13,77,907	18,746
ICICI Bank Forex Card-USD		1,08,817	1,480
Kotak Mahindra Bank IBU		44,51,445	60,560
State Bank of India - USD		13,65,246	18,574
Balances with Banks in Deposit Accounts with maturity less than 3 months		-	-
	E	2,22,65,017	3,02,906
Cash and cash equivalents at the beginning of the period			
ICICI Bank Ltd (IBU)-USD		37,11,326	49,231
ICICI Bank Ltd (SNRR)-INR		35,26,843	46,784
ICICI Bank Client Account-USD		15,07,718	20,000
ICICI BANK IICCL Settlement Account-USD		53,55,074	71,035
ICICI BANK NICCL Settlement Account- USD		3,76,930	5,000
ICICI Bank Forex Card-USD		1,11,602	1,480
Balances with Banks in Deposit Accounts with maturity less than 3 months		56,53,943	75,000
	F	2,02,43,436	2,68,531
Changes In cash and cash equivalents	G = (E-F)	20,21,580	34,375
Cash and cash equivalents at the end of the period	H = (D+F)	2,22,65,017	3,02,906
Cash and bank balance		2,22,65,017	3,02,906

Note : Cash and cash equivalents comprise balances in current account.
As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For P C Rathod & Co
Chartered Accountants
Firm No. 121967W

Arati Bhatt
CFO
Place: Ahmedabad

Kirty Pareek
Company Secretary

CA BHAVESH RATHOD
PARTNER
MEM. NO: 104690

Vinay E Purohit
MD & CEO
Place: Ahmedabad

K. Kumar
Director
Place: Bangalore

Place: Ahmedabad
Date: 29.04.2021

STOCKHOLDING SECURITIES IFSC LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2021

A Equity Share Capital

Particulars	Balance at the beginning of the reporting date Amount In Rs.	Balance at the beginning of the reporting date Amount In USD	Chages in equity share capital during the year In Rs.	Chages in equity share capital during the year In USD	Balance at the end of the reporting date in Rs.	Balance at the end of the reporting date in USD
Balance as at March 31, 2021	15,00,00,000	21,42,857	-	-	15,00,00,000	21,42,857

B Other Equity

Particulars	Retained Earnings in Rs.	Retained Earnings in USD	Foreign Exchange Translation Reserve in Rs.	Foreign Exchange Translation Reserve in USD	Total in Rs.	Total in USD
Balance as at April 01, 2020	(2,07,17,643)	(2,91,743)	99,41,038	(292)	(1,07,76,605)	(2,92,035)
Retained Earnings - Transferred from P&L	(1,84,71,636)	(2,49,150)	(33,80,237)	504	(2,18,51,873)	(2,48,647)
Closing Balance as at March 31,2021	(3,91,89,279)	(5,40,893)	65,60,801	212	(3,26,28,478)	(5,40,682)

In terms of our report attached
As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For P C Rathod & Co
Chartered Accountants
Firm No. 121967W

Arati Bhatt
CFO
Place: Ahmedabad

Kirty Pareek
Company Secretary

CA BHAVESH RATHOD
PARTNER
MEM. NO: 104690

Vinay E Purohit
MD & CEO
Place: Ahmedabad

K. Kumar
Director
Place: Bangalore

Date: 29.04.2021
Place: Ahmedabad

Notes to the Financial Statements for the year ended March 31,2021

Note 1

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

Corporate information

Stock Holding Securities IFSC Limited (SSIL or Company) was promoted by the public financial institutions and incorporated as a limited company on July 16, 2018. It's registered office and principal place of business is 518, Signature Building, Gift SEZ, Gift City, Gandhinagar, Gujarat 382355, India.

The company is a wholly owned subsidiary of Stock Holding Corporation of India Limited. With effect from 28th March, 2014, Stock Holding Corporation of India Ltd. (Stock Holding) - the Holding Company, has become a subsidiary of IFCI Ltd. & hence, IFCI Ltd. is the Ultimate Holding Company for Stock Holding Securities IFSC Ltd. from the date of inception.

The financial statements of the Company have been prepared in accordance with Ind-AS as issued by the Ministry of Corporate Affairs (MCA). SSIL has received approval from SEBI for Clearing Membership and has commenced operations as a Trading and Clearing member on both the exchanges at GIFT IFSC. SSIL offers services in accordance with the SEBI IFSC Regulations 2015 and the offerings will include broking, clearing and settlement and other financial services to all eligible investors as may be permissible to invest at IFSC, Gift City.

In accordance with the provisions of the GIFT SEZ as applicable to IFSC jurisdiction, the Company maintains its accounts in USD which is the functional currency. Investments, deposits, income, provisions and expenses arising and settled in IFSC or any other foreign jurisdiction are accounted and settled in USD currency. All other revenue expenses, provisions, write backs and asset procurements are incurred and settled in INR currency and accounted for in the functional currency.

1. Significant Accounting Policies

Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS.

1.1. Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain assets and liabilities where fair value model has been used, e.g. certain financial assets and liabilities measured at fair value, etc. The Ind AS are prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules,2016.

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.

The Ind AS is applicable to the Company with effect from 16th July,2018, being a Subsidiary of the Stock Holding Corporation of India Limited falling under the mandatory Phase1.

Ind AS 116 replaces existing standard Ind AS 17 "Leases". The standard is effective for annual periods beginning on or after April 1, 2019.

Notes to the Financial Statements for the year ended March 31,2021

Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Right to use on security deposit for lease has been recognized from the current financial year.

Lessor accounting remains similar to the current standard.

1.2. Use of Estimates

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

1.3. Current / non-current classification

Assets and liabilities in the balance sheet are classified into current/ non-current. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

1.4. Foreign currency translation

Functional and presentation currency

The financial statements are presented in INR, which is the reporting or presentation currency. In addition, the corresponding figures for USD which is the functional currency are also stated alongside to meet any requirements for an SEZ company.

Notes to the Financial Statements for the year ended March 31,2021

Foreign currency transactions and balances

- i) Transactions denominated in foreign currency (i.e. other than the functional currency) are normally recorded at the exchange rate prevailing at the date of transaction.
- ii) Invoices raised in INR currency are recorded as per (i) above and the same are paid in INR currency. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- iii) Monetary items denominated in foreign currencies at the end of the period are restated at the closing rates.
- iv) Non-monetary items denominated in foreign currencies are carried at cost.

1.5. Segment and Revenue Reporting

The company has started operations w.e.f. October 31,2019 and is operative in only one segment i.e. Trading & Clearing Services and hence for the year ending March 31,2021, segment reporting does not apply.

1.6. Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

1.7. Property, plant and equipment

Where Items of Property, Plant and Equipment (PP&E) are installed for use, the same are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any.

Items of property, plant and equipment (PP&E) are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of PP&E are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on PP&E is charged under the straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 or at such higher rates for assets wherein a lesser useful life has been estimated due to rapid advancement in technology.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.8. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Where computer software which forms an integral part of the related hardware, it is capitalised along with the hardware as fixed asset. Software which are not an integral part of computer hardware and from which future economic benefits are expected are treated as intangible assets.

Software developed internally or major customisations to acquired software is recognised as an asset at cost when significant economic benefits are expected to accrue in future. Cost comprises all expenditure that can be directly attributed for creation, production and making the software ready for its intended use.

Notes to the Financial Statements for the year ended March 31, 2021

1.9. Income taxes

Tax expense for the Period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Provision for current income tax is made on the basis of the assessable income under the Income tax Act, 1961.

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

1.10. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank balances held in INR (in SNRR Account) are converted to functional currency USD at the period rate for the purpose of reporting.

1.11. Equity, Reserves and Dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Other components of equity include the following:

- remeasurement of net defined benefit liability – comprises the actuarial losses from changes
- in demographic and financial assumptions and the return on plan assets

Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders, if any, are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.12. Post-employment benefits and short-term employee benefits

The company currently has employees deputed from the holding company i.e Stock Holding Corporation of India Limited and two employees on the rolls of SSIL. The deputed employees are covered under the applicable plans of the holding company for post-employment benefit plans, defined contribution plans etc. The Provident Fund Scheme contributions for the employees of SSIL are being paid as scheduled and a suitable policy for insurance is in place while policy for post employment benefits is under formulation.

1.13. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and as realisable estimate can be made of the amount of the obligation. When the Company

Notes to the Financial Statements for the year ended March 31,2021

expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

1.14. Contingent liabilities

Contingent Liabilities are not recognised but are disclosed in notes in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

1.15. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.16. Significant accounting judgements, estimates and assumptions

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Previous period figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period classification / disclosure.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

a) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

1.17. Disclosure on Impact Assessment due to COVID 19

The management of SSIL is closely monitoring the evolving situation pertaining to the COVID 19 pandemic and continuously taking efforts to ensure safety of all its staff members, the normal conduct of business operations and resolution of issues, if any, while adhering to MHA and State Government circulars issued from time to time. SSIL continues to operate normally and hence there is no significant impact considered in the financial results.

Notes to the Financial Statements for the year ended March 31, 2021

NON CURRENT ASSETS

2a) Property, Plant and Equipment

The changes in the carrying value of Property, Plant and Equipment for the period ended March 31, 2021 are as follows:

Particulars	Leasehold Fittings		Plant & Machinery		Computer Hardware		Server & Networking		Furniture & Fixtures		Office Equipment		Vehicles		Total	
	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD
Gross carrying value as at April 1, 2020	8,52,055	12,267	1,58,560	2,282	2,91,300	4,128	9,56,045	13,510	2,02,330	2,913	2,28,965	3,289	9,16,178	12,103	26,89,255	38,389
Additions											1,88,425	2,573			11,04,603	14,608
Deletions															0	0
Gross carrying value as at March 31, 2021	8,52,055	12,267	1,58,560	2,282	2,91,300	4,128	9,56,045	13,510	2,02,330	2,913	4,17,390	5,862	9,16,178	12,103	37,93,858	53,066
Accumulated depreciation as at April 1, 2020	78,894	1,047	9,690	129	72,189	958	1,11,187	1,475	16,861	224	38,161	506			3,26,981	4,337
Depreciation	92,555	1,259	10,641	145	95,943	1,305	2,36,930	3,223	19,781	269	65,344	889	2,33,437	3,176	7,54,631	10,266
Accumulated depreciation as at March 31, 2021	1,71,449	2,306	20,331	273	1,68,132	2,263	3,48,117	4,698	36,642	493	1,03,505	1,395	2,33,437	3,176	10,81,612	14,604
Carrying value as at March 31, 2021	6,80,606	9,961	1,38,229	2,009	1,23,168	1,865	6,07,928	8,811	1,65,688	2,420	3,13,885	4,467	6,82,741	8,927	27,12,245	38,462

2b) Intangible Assets

The changes in the carrying value of Intangible Assets for the period ended March 31, 2021 are as follows:

Particulars	Computer Software		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2020	4,44,943	6,310	4,44,943	6,310
Additions	1,44,541	1,909	1,44,541	1,909
Deletions				
Gross carrying value as at March 31, 2021	5,89,484	8,220	5,89,484	8,220
Accumulated depreciation as at April 1, 2020	97,372	1,292	97,372	1,292
Depreciation	2,13,778	2,908	2,13,778	2,908
Accumulated depreciation as at March 31, 2021	3,11,150	4,200	3,11,150	4,200
Carrying value as at March 31, 2021	2,78,334	4,020	2,78,334	4,020

2c) Other Assets- Right to Use

The changes in the carrying value of Other Intangible Asset for the period ended March 31, 2021 are as follows:

Particulars	Leasehold Premises		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2020	36,41,391	52,837	36,41,391	52,837
Additions	3,04,614	4,143	3,04,614	4,143
Deletions				
Gross carrying value as at March 31, 2021	39,46,005	56,980	39,46,005	56,980
Accumulated depreciation as at April 1, 2020	6,43,452	8,535	6,43,452	8,535
Depreciation	6,84,675	9,315	6,84,675	9,315
Accumulated depreciation as at March 31, 2021	13,28,127	17,850	13,28,127	17,850
Carrying value as at March 31, 2021	26,17,877	39,130	26,17,877	39,130

2a) Property, Plant and Equipment

The changes in the carrying value of Property, Plant and Equipment for the period ended March 31, 2020 are as follows:

Particulars	Leasehold Fittings		Plant & Machinery		Computer Hardware		Server & Networking		Furniture & Fixtures		Office Equipment		Total	
	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD
Gross carrying value as at April 1, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions*	8,52,055	12,267	1,58,560	2,282	2,91,300	4,128	9,56,045	13,510	2,02,330	2,913	2,28,965	3,289	26,89,255	38,389
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2020	8,52,055	12,267	1,58,560	2,282	2,91,300	4,128	9,56,045	13,510	2,02,330	2,913	2,28,965	3,289	26,89,255	38,389
Accumulated depreciation as at April 1, 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	78,894	1,047	9,690	129	72,189	958	1,11,187	1,475	16,861	224	38,161	506	3,26,981	4,337
Accumulated depreciation as at March 31, 2020	78,894	1,047	9,690	129	72,189	958	1,11,187	1,475	16,861	224	38,161	506	3,26,981	4,337
Carrying value as at March 31, 2020	7,73,161	11,220	1,48,870	2,154	2,19,111	3,171	8,44,858	12,035	1,85,469	2,689	1,90,804	2,783	23,62,273	34,052

2b) Intangible Assets

The changes in the carrying value of Intangible Assets for the period ended March 31, 2020 are as follows:

Particulars	Computer Software		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2019	-	-	-	-
Additions	4,44,943	6,310	4,44,943	6,310
Deletions	-	-	-	-
Gross carrying value as at March 31, 2020	4,44,943	6,310	4,44,943	6,310
Accumulated depreciation as at April 1, 2019	-	-	-	-
Depreciation	97,372	1,292	97,372	1,292
Accumulated depreciation as at March 31, 2020	97,372	1,292	97,372	1,292
Carrying value as at March 31, 2020	3,47,571	5,019	3,47,571	5,019

2c) Other Assets- Right to Use

The changes in the carrying value of Other Intangible Asset for the period ended March 31, 2020 are as follows:

Particulars	Leasehold Premises		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2019	-	-	-	-
Additions	36,41,391	52,837	36,41,391	52,837
Deletions	-	-	-	-
Gross carrying value as at March 31, 2020	36,41,391	52,837	36,41,391	52,837
Accumulated depreciation as at April 1, 2019	-	-	-	-
Depreciation	6,43,452	8,535	6,43,452	8,535
Accumulated depreciation as at March 31, 2020	6,43,452	8,535	6,43,452	8,535
Carrying value as at March 31, 2020	29,97,939	44,301	29,97,939	44,301

Notes to the Financial Statements for the year ended March 31,2021

Financial Assets- Non Current

3. Advances & Deposits

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Base Minimum Capital with Exchanges (USD)	1,10,80,834	1,50,750	11,30,789	15,000
Security Deposit with Exchanges & Clearing Corporations (USD)	1,24,95,799	1,70,000	1,39,46,392	1,85,000
Security Deposit Others**	3,21,412	4,373	4,60,208	6,105
Total	2,38,98,044	3,25,123	1,55,37,388	2,06,105

*Comprise of various deposits given in INR for premises, electricity, custody fees etc

4. Deferred Tax Asset (DTA)

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Opening Balance	1,95,626	2,737	1,56,277	2,215
Timing Difference due to Depreciation as Income Tax and Companies Act	(13,147)	(179)	353	5
Preliminary Expenses (1/5th written off as per Income Tax Act)	38,997	531	38,997	517
Deferred Tax Asset (net)	2,21,476	3,089	1,95,626	2,737

5. Non Current Tax Asset

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Tax Deducted at Source (USD)	2,10,384	2,862	1,09,698	1,455

Financial Assets - Current

6. Trade Receivables

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Receivable from the Exchange/clients	495	7	7,553	100

Notes to the Financial Statements for the year ended March 31,2021

6a. Cash & Cash Equivalents

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Balances with Banks in current accounts held in USD **	1,98,10,230	2,69,510	1,09,51,048	1,45,267
Balance with Bank in current account held in INR -SNRR Account ***	23,45,969	31,916	35,26,843	46,784
Balance held in Forex Card-USD	1,08,817	1,480	1,11,602	1,480
Balances with Banks in Deposit Accounts in USD with maturity less than 3 months (With premature withdrawal option)	0	0	56,53,943	75,000
Total	2,22,65,017	3,02,906	2,02,43,436	2,68,531

** Balances as on Mar31,2021 with Banks in Current Accounts held in USD includes: balances held in separate client account USD 1,11,682 (USD 20,000 in F.Y. 2019-20)

*** Balance in the SNRR current account are held in INR currency and converted to USD for reporting purpose.

6b. Bank Balances other than Cash & Cash Equivalents

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Balances with Banks in Deposit Accounts in USD with maturity more than 3 months (With premature withdrawal option)	1,47,00,940	2,00,000	4,71,16,188	6,25,000

7. Advances & Deposits

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Margin Fixed Deposits with Clearing Corporations (USD)*	8,26,79,276	11,24,816	6,97,31,958	9,25,000
Cash Margin with Clearing Corporations (USD)	0	0	7,53,859	10,000
Settlement Obligation from Clearing Corporation (Receivable)	5,256	72	0	0
Prepaid Expenses (paid in USD & INR)	5,02,491	6,836	9,26,570	12,291
Total	8,31,87,023	11,31,724	7,14,12,386	9,47,291

* Margin utilised as at 31st March,2021 is USD 846.13 previous year NIL

8. Other Financial Assets

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Accrued FD Interest on USD Deposits	10,55,303	14,357	9,11,161	12,087
Investments-Positional trade in Gold F&O (1 lot)	62,195	846		
Input Credit Goods & Service Tax	20,559	280	16,926	225
Total	11,38,056	15,483	9,28,087	12,311

Notes to the Financial Statements for the year ended March 31,2021

9. Equity Share Capital

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Authorised Capital				
1,50,00,000 Equity shares of Rs 10/- each	15,00,00,000	21,42,857	15,00,00,000	21,42,857
Issued, Subscribed and Paid-up Capital				
1,50,00,000 Equity shares of Rs 10/- each	15,00,00,000	21,42,857	15,00,00,000	21,42,857

a. Terms/rights attached to equity shares

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

b. Equity shares held by holding company

Name of Shareholder	Stock Holding Corporation of India Limited
Number of equity shares held	1,50,00,000
Percentage of Holding	100

c. Information regarding issue of shares in the last five years

- The company has issued 1,50,00,000 shares of Rs 10 each at par on 9th January 2019 for cash received
- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy-back of shares.

10 Other Equity

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Profit & Loss Account				
Opening Balance	(2,07,17,643)	(2,91,743)	(50,49,975)	(71,563)
(+) Net profit/(Net loss) for the Current Year	(1,84,71,636)	(2,49,150)	1,56,67,668	(2,20,181)
Closing balance	(3,91,89,279)	(5,40,893)	2,07,17,643	(2,91,744)
Other Comprehensive Income				
Opening Balance	99,41,038	(292)	(16,31,141)	603
(+) Net profit/(Net loss) for the Current Year	-	-	-	-
Foreign Exchange Translation Reserve	(33,80,237)	504	1,15,72,179	(895)
Closing balance	65,60,801	212	99,41,038	(292)
Total	(3,26,28,478)	(5,40,682)	1,07,76,605	(2,92,036)

Notes to the Financial Statements for the year ended March 31,2021

Non-Current Liabilities-Financial Liabilities

11. Non – Current Liabilities -Borrowings Unsecured Loans

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Stock Holding Corporation of India Limited	25,66,081	34,910	26,31,754	34,910

12. Other Non Current Liabilities

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Right to use Liabilities	24,39,121	33,183	28,56,627	41,680

Current Liabilities-Financial Liabilities

13a) Trade and other payables

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Dues to Micro and Small enterprises (Refer Note:21)	0	0	50,461	669
Other than micro and small enterprises	1,36,66,860	1,85,932	89,29,911	1,18,456
Total	1,36,66,860	1,85,932	89,80,372	1,19,125

13b) Other Financial Liabilities

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Imprest Balances, Margins and Security Deposits from Clients (USD)*	1,26,24,695	1,71,754	61,28,074	81,289
Provision for Expenses	25,25,543	34,359	12,87,241	17,075
Other Payables	19,383	264	8,012	106
Total	1,51,69,621	2,06,376	74,23,327	98,471

*Balances held in separate Client Bank Account or in the Clearing Corporation Settlement Account for meeting client obligation

14. Other Current Liabilities

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Other Current Liabilities-Retention Payable	0	0	1,30,180	1,727
Statutory Dues-Provident Fund & Profession Tax*	16,686	227	12,490	166
Total	16,686	227	1,42,670	1,893

* paid in the month of April before due date

Notes to the Financial Statements for the year ended March 31,2021

15. Contingent Liability

As at March 31, 2021, Purchase Order for Rs.3,43,000/- (USD 4,666.37) has been issued in favour of M/s Kalyx Infotech Pvt Ltd for purchase of computer/laptops

16. Revenue from Operations

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Service Charges (USD)	23,175	312	16,178	228

17. Other Income

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Income from Proprietary Trading (USD)	(88,669)	(1,195)	(40,029)	(565)
LES incentive	5,506	74	4,041	57
Interest on Fixed Deposits (USD)	14,95,232	20,151	10,29,294	14,522
Interest on Security Deposit (ROU)	20,330	274	-	-
Sundry Balances written off	-	-	3,19,108	4,502
Total	14,32,398	19,304	13,12,413	18,516

18. Employee benefit expense

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Salary Allowances and Bonus	93,64,565	1,26,206	66,76,341	94,193
Contribution to provident and other funds	8,39,221	11,310	3,80,731	5,372
Gratuity	1,02,486	1,381	88,703	1,251
Staff Welfare Expenses	2,04,942	2,762	1,58,229	2,232
Total	1,05,11,215	1,41,660	73,04,004	1,03,049

Notes to the Financial Statements for the year ended March 31,2021

19. Other Expenses

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Exchange Expenses	147	2	904	13
Bank Charges	12,270	165	2,695	38
ISIN Custody Fees	43,950	592	41,693	588
Rent Account	0	0	67,286	949
Electricity Expenses	1,01,972	1,374	1,34,703	1,900
Insurance Expenses	5,608	76	1,100	16
Membership Fees & Subscriptions	6,81,465	9,184	2,30,965	3,259
Board & Committee Meeting Expenses & Sitting Fees	17,55,581	23,660	17,24,152	24,325
Repairs & Maintenance	1,57,352	2,121	73,475	1,037
Postage & Courier	10,505	142	11,549	163
Printing & Stationary	48,475	653	82,438	1,163
Travelling Expenses	24,939	336	17,72,488	25,007
Conveyance Expenses	1,59,209	2,146	5,16,215	7,283
Professional Fees	14,16,959	19,096	12,28,347	17,330
Retainership Fees	6,61,940	8,921	9,40,217	13,265
Audit Fees (Refer Note:22)	2,10,456	2,836	1,96,664	2,775
Connectivity, Communication, Website Charges & Software Expenses	18,94,104	25,527	7,58,774	10,705
Seminar, Training & Recruitment Expenses	1,67,073	2,252	1,98,324	2,798
Meeting & Business Promotion Expenses	0	0	1,74,419	2,461
Advertisement Expenses	0	0	61,893	873
ROU Interest	91,120	1,228	47,486	670
Donation	51,658	696	0	0
Vehicle Expenses	21,968	296	0	0
Miscellaneous Expenses	2,72,008	3,666	3,98,014	5,615
Total	77,88,760	1,04,969	86,63,799	1,22,233

Previous period figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period classification / disclosure.

20. Earnings per Share

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Profit for the year as per Statement of Profit and Loss	(1,84,71,636)	(2,49,150)	(1,56,67,668)	(2,20,181)
No. of shares at the beginning of the year	1,50,00,000	1,50,00,000	1,50,00,000	1,50,00,000
No of shares at the end of the year	1,50,00,000	1,50,00,000	1,50,00,000	1,50,00,000
Weighted average number of shares outstanding during the year (Nos)	1,50,00,000	1,50,00,000	1,50,00,000	1,50,00,000
Earnings per share for the year in Rs	(1.23)	(0.02)	(1.04)	(0.01)
Basic/ Diluted Rs	(1.23)	(0.02)	(1.04)	(0.01)

Notes to the Financial Statements for the year ended March 31,2021

21. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Based on the information with the Company, the amount overdue to the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31,2021 on account of principal as at March 31, 2021 on account of principal amount together with interest is Rs. NIL (Previous Year : Rs.1,15,381).

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Principal amount due and remaining unpaid	0	0	1,15,381	1,619
Interest due on above and the unpaid interest	-	-	-	-
Interest paid	-	-	-	-
Payment made beyond the appointed day during the year	-	-	-	-
Interest due and payable for the period of delay	-	-	-	-
Interest accrued and remain unpaid	-	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-	-

22. Managerial Remuneration

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
M.D & CEO, CFO and CS				
Salary & Allowances	63,62,387	85,746	56,19,825	79,287
Contribution to provident and other funds	8,47,077	11,416	4,51,063	6,364
Total	72,09,464	97,162	60,70,888	85,651

23. Auditors Remuneration

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
As Auditor:				
Audit Fees- Statutory Audit Fees	1,00,804	1,359	98,423	1,389
Audit Fees- certification & Other Fees	1,09,652	1,478	98,241	1,386
Total	2,10,456	2,836	1,96,664	2,775

24. Foreign Currency Exposure

Particulars	As at 31-Mar-2021		As at 31-Mar-2020	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Particulars of unhedged foreign currency exposure as at the balance sheet date*	-	-	-	-
Total	0	0	0	0

* Transactions (income as well as expenses) in GIFT IFSC are incurred in foreign currency and the books of accounts are maintained in foreign currency.

Expenses incurred in INR are through a designated Bank Account (SNRR Account) funded by transferring funds from the foreign currency bank account.

Since the fund transfer is an ongoing process, it does not require hedging.

Notes to the Financial Statements for the year ended March 31,2021

25. Related Parties

a. List of Related Parties

Ultimate Holding Company	IFCI Limited
Holding Company	Stock Holding Corporation of India Limited
Fellow and Associate Subsidiaries	IFCI Venture Capital Funds Limited IFCI Infrastructure Development Limited IFCI Financial Services Limited SHCIL Services Limited Stockholding Document Management Services Ltd.

Key Management Personnel

Shri Ramesh N.G.S	Non-Executive Chairman
Shri Kanaksabapathy Kumar	Independent Director – Non-Executive
Ms. Jhummi Mantri	Non-Executive Director (appointed w.e.f. 06th April,2021)
Shri R. Anand	Non-Executive Director
Ms. Meera Ranganathan	Non-Executive Director (resigned w.e.f. 22ndApril,2021)
Shri Vinay E Purohit	Managing Director & CEO
Ms. Arati Bhatt	Chief Financial Officer
Ms. Kirty Pareek	Company Secretary

Notes to the Financial Statements for the year ended March 31,2021

b. Transactions with related parties during the year

Transactions (including accruals) with related parties for the year ended March 31,2021.

Particulars	Amount in Rs.(USD)		
	Holding Company	Associate Subsidiaries	Key Management Personnel
Reimbursement of Expenses paid on behalf of the company:			
As on March 31,2021	99,926 (USD 1347)	-	-
As on March 31,2020	1,05,978 (USD 1495)	-	-
Reimbursement of deputed employees' salary & gratuity and other funds:			
As on March 31,2021	7,95,104 (USD 10,716)	-	72,09,459 (USD 97,162)
As on March 31,2020	1,78,793 (USD 2,523)	-	62,60,213 (USD 88,322)
Sitting Fees Paid:			
As on March 31,2021	12,43,966 (USD 16,765)	-	4,91,274 (USD 6,621)
As on March 31,2020	10,73,233 (USD 15,142)	-	4,12,073 (USD 5,814)
Custody Fees Paid:			
As on March 31,2021	22,260 (USD 300)		
As on March 31,2020	-		
Balances Outstanding:			
Payable to Holding Company towards reimbursement of expenses:			
As on March 31,2021	25,66,081 (USD 34,910)	-	-
As on March 31,2020	26,31,754 (USD 34,910)	-	-
Trade & Other Payables:			
As on March 31,2021	1,34,85,635 (USD 1,83,466)	-	-
As on March 31,2020	77,15,573 (USD 1,02,348)	-	-

In terms of our report attached

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For P C Rathod & Co
Chartered Accountants
Firm No. 121967W

Arati Bhatt
CFO
Place: Ahmedabad

Kirty Pareek
Company Secretary

CA BHAVESH RATHOD
PARTNER
MEM. NO: 104690

Vinay E Purohit
MD & CEO
Place: Ahmedabad

K. Kumar
Director
Place: Bangalore

Place: Ahmedabad
Date: 29.04.2021

Photo Gallery:



Landscape view of GIFT - 1



Landscape view of GIFT - 2

BOARD OF STOCKHOLDING SECURITIES IFSC LIMITED



Ramesh N.G.S
Non-Executive Chairman



Kanaksabapathy Kumar
Independent Director



Jhummi Mantri
Director



R. Anand
Director



Vinay E Purohit
Managing Director & CEO



Stock Holding Securities IFSC Limited

Unit No. 518, Signature, 5th Floor, Block 13B, Zone-I,
GIFT SEZ, Gift City, Gandhinagar, Gujarat 382355, India

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