

LKP SECURITIES LIMITED
Balance Sheet as at 31st March, 2014

(Amount in Rupees)

Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	B1	342,482,000	222,482,000
(b) Reserves and Surplus	B2	-35,343,309	13,379,479
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long Term Borrowings	B3	-	663,346
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long Term Liabilities	B4	20,360,032	23,522,217
(d) Long Term Provisions	B5	5,273,836	4,123,836
4 Current liabilities			
(a) Short Term Borrowings	B6	363,046,787	502,237,559
(b) Trade Payables		489,940,905	372,755,673
(c) Other Current Liabilities	B7	7,337,179	5,800,312
(d) Short Term Provisions		-	-
TOTAL		1,193,097,432	1,144,964,421
II. ASSETS			
Non-current assets			
1 (a) Fixed Assets			
(i) Tangible assets	B8	58,230,045	59,954,104
(ii) Intangible assets		20,261,323	6,065,585
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	B9	20,385,094	20,385,094
(c) Deferred Tax Assets (Net)		27,738,308	13,089,982
(d) Long Term Loans and Advances	B10	71,214,709	77,916,607
(e) Other Non Current Assets	B11	16,497,581	14,547,547
2 Current assets			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables	B12	730,156,258	716,876,777
(d) Cash and Cash Equivalents	B13	162,274,135	182,875,908
(e) Short Term Loans and Advances	B14	77,099,555	47,536,187
(f) Other Current Assets	B15	9,240,423	5,716,630
TOTAL		1,193,097,432	1,144,964,421

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm registration number : 102860W

A.D.Shenoy
Partner
Membership No.11549

Place : Mumbai
Date : 09 May 2014



For and on behalf of the board of directors of
LKP Securities Limited

Director: M. V. Doshi

Director: D. K. Waghela



LKP SECURITIES LIMITED

Statement of Profit and loss for the year ended 31st March, 2014

(Amount in Rupees)

Particulars	Refer Note No.	As at 31 March 2014	As at 31 March 2013
I. Revenue from Operations	B16	378,897,528	419,814,690
II. Other Income	B17	19,766,138	22,210,883
III. Total Revenue (I + II)		398,663,666	442,025,573
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee Benefits Expense	B18	186,019,410	163,916,563
Finance Costs	B19	24,660,559	66,070,498
Depreciation and amortization expense		16,019,378	16,888,811
Other Expenses	B20	235,335,431	226,994,121
Total expenses		462,034,779	473,869,994
V. Profit/ (Loss) before exceptional and extraordinary items and tax (III-IV)		(63,371,112)	(31,844,421)
VI. Exceptional items		-	-
VII. Profit/ (Loss) before extraordinary items and tax (V - VI)		(63,371,112)	(31,844,421)
VIII. Extraordinary Items		-	-
IX. Profit/ (Loss) before tax (VII- VIII)		(63,371,112)	(31,844,421)
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(14,648,325)	77,931
Profit /(Loss) for the period from continuing operations (IX-X)		(48,722,787)	(31,922,352)
XII Profit/ (Loss) for the period		(48,722,787)	(31,922,352)
XIII Earnings per equity share:			
(1) Basic		-1.86	-1.22
(2) Diluted		-1.86	-1.22

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Ford, Rhodes, Parks & Co.

Chartered Accountants

Firm registration number : 102860W

A.D.Shenoy

Partner

Membership No.11549

Place : Mumbai

Date : 09 May 2014

For and on behalf of the board of directors of
LKP Securities Limited

Director: M. V. Doshi

Director: D. K. Waghela



Cash Flow Statement for the Year Ended 31 March, 2014

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
A. Cash flow from Operating activities :	Rs. In lacs	Rs. In lacs
Net Profit / (Loss) before tax and Extraordinary items and Interest	(38,710,553)	34,226,077
Adjustments for :		
Depreciation	16,019,378	16,888,811
Profit / Loss on sale of assets	94,902	(63,117)
Interest / Dividend Received / Misc	(13,224,804)	(18,591,366)
(Profit) / Loss on Sale of Investment	-	(436,705)
	2,889,476	(2,202,376)
Operating Profit before Working capital changes	(35,821,077)	32,023,701
Adjustments for :		
Inventories	(31,217,621)	103,396,783
Trade and other receivables	116,709,916	(195,432,015)
Trade and other payables	85,492,295	(92,035,232)
Cash generated from operations	49,671,218	(60,011,531)
Interest & Bank Charges paid	(24,660,559)	(66,070,498)
Direct taxes paid	(10,397,158)	(1,920,775)
	(35,057,717)	(67,991,273)
Cash flow before extraordinary items	14,613,501	(128,002,804)
Net cash from operating activities	14,613,501	(128,002,804)
B. Cash flow from Investing Activities		
Purchase of fixed assets	(28,695,711)	(7,735,079)
Sale of fixed assets	109,750	1,203,360
Purchase of investments	-	(100,000)
Sale of investments	-	1,198,635
Interest received	13,108,495	18,480,244
Dividend received	116,309	111,122
Net cash from investing activities	(15,361,156)	13,158,282
C. Cash flow from financing activities		
Proceeds from issue of share capital	120,000,000	-
Increase in borrowing	(139,854,117)	140,781,750
Net cash from financing activities	(19,854,117)	140,781,750
Net increase / (decrease) in cash and cash equivalents	(20,601,773)	25,937,228
Cash and cash equivalents (opening)	182,875,908	156,938,680
Cash and cash equivalents (closing)	162,274,135	182,875,908

As per our report of even date

For Ford, Rhodes, Parks & Co.

Chartered Accountants

Firm registration number : 102860W

A.D.Shenoy

Partner

Membership no.11549

Place : Mumbai

Date : 09 May 2014

For and on behalf of the board of directors of
LKP Securities Limited

Director:

M. V. Doshi

Director:

D. K. Waghela



LKP Securities Ltd

Notes to Financial Statement for the year ended 31st March, 2014

A. Significant Accounting Policies

1. Basis of Accounting: The financial accounts have been prepared on historical cost convention. The Company follows the accrual basis of accounting. The financial statements are prepared in accordance with the accounting standards specified in the Companies (Accounting Standards) Rules, 2006, as amended, notified by the Central Government, in terms of section 211 (3C) of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The financial statements have been prepared under Revised Schedule VI notified by the Central Government.

2. The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenue and expenses during the reporting periods. Difference between the actual results and estimates are recognized in the period in which they are known/ materialised.

3. Revenue Recognition : Revenue is recognized when there is reasonable certainty of its ultimate realization / collection.

a) Brokerage Income (net of service tax)

- i) on fixed deposit is accounted on completion of the transaction.
- ii) on primary market subscription - mobilisation is accounted on the basis of intimation received by the Company.
- iii) on secondary market transaction is recognised on the date of the transaction.

b) Interest Income is accounted on accrual basis.

c) Incentive on primary market subscription - mobilisation is accounted on the basis of intimation received by the Company.

d) Depository Fees (net of service tax)

- i) Transaction fees are recognised on completion of the transaction.
- ii) Account maintenance charges are recognised on time basis over the period of the contract.

4. Fixed Assets: All fixed assets are stated at cost inclusive of legal and / or installation and incidental expenses less accumulated depreciation.

5. Depreciation / Amortisation: The company provides depreciation on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

As regards improvement to leasehold properties, the same is amortised equally over the period of lease.

6. Impairment of Assets: Impairment losses, if any, are recognized in accordance with Accounting Standard 28(AS 28). Where there is an indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognized to the extent carrying amount exceeds recoverable amount and the same is charged to the Statement of Profit & Loss.



LKP Securities Ltd

7. Operating Lease: Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments / receipts are recognised as an expense / income in the statement of profit and loss on a straight line basis over the lease term.

8. Investment / Stock in Trade: Securities which are intended to be held for one year or more are classified as Non Current- Long Term Investments. Investments are capitalized and accounted at the cost plus brokerage and stamp charges. Provision for diminution in value is made in case the same is other than temporary. Profit or losses on investments are accounted as and when realized.

Stock in trade represents shares & securities held for sale generally within one year and is classified as current assets. Year end stock of shares & securities are valued at lower of cost or market values. Profit or loss is accounted as and when realised and is charge to the statement of profit & loss.

9. Short Term Employee Benefits: (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

Contribution towards Provident Fund are recognized as expense. Provident Fund contributions in respect of all employees are made to Provident Fund Authorities.

Liability towards Gratuity covering eligible employees is partly contributed to Group Gratuity Scheme of Life Insurance Corporation Of India based on the annual premium payable to them.

Contribution to Central Government Employees State Insurance Scheme for eligible employees is recognized as charge for the year.

10. a) Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

b) Deferred Tax: In Accordance with Accounting Standard 22- "Accounting for Taxes on Income" , the deferred tax for timing difference is measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

11. Earning Per Share: The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20- Earning per Share prescribed by the Companies (Accounting Standards) Rule, 2006. Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

12. a) Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.

b) Contingent Assets are neither recognized nor disclosed.



B1 Share Capital

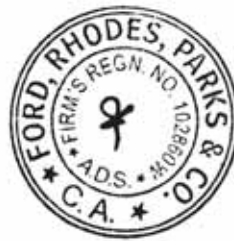
Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Rs.	Number	Rs.
Authorised				
9% Redemable Preference Shares of Rs. 100/- each	2,900,000	290,000,000	2,000,000	200,000,000
Equity Shares of Rs. 2/- each	30,000,000	60,000,000	60,000,000	120,000,000
Issued, Subscribed & Paid up				
9% Redemable Preference Shares of Rs. 100/- each	2,900,000	290,000,000	1,700,000	170,000,000
Equity Shares of Rs. 2/- each	26,241,000	52,482,000	26,241,000	52,482,000
Total	29,141,000	342,482,000	27,941,000	222,482,000

Particulars	Equity Shares		Preference Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	26,241,000	52,482,000	1,700,000	170,000,000
Shares issued during the year	-	-	1,200,000	120,000,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	26,241,000	52,482,000	2,900,000	290,000,000



B2 Reserves and Surplus

<u>Particulars</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
a. Surplus		
Opening balance	13,379,479	45,301,831
(+) Net Profit/(Net Loss) For the current year	(48,722,787)	(31,922,352)
(+) Transfer from Reserves		-
(-) Proposed Dividends		-
(-) Interim Dividends		-
(-) Transfer to Reserves		-
Closing Balance	(35,343,309)	13,379,479



B3 Long Term Borrowings

<u>Particulars</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
<u>Secured</u>		
(a) Other loans and advances		
Vehicle Loan	-	663,346
(Secured By hypothecation of Vehicles)		
Terms of Repayment <u>36 Months</u>		
Total	-	663,346



B4 Other Long Term Liabilities

<u>Particulars</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Others Security Deposit from Sub Broker	20,360,032	23,522,217
Total	20,360,032	23,522,217



B5 Long Term Provisions

<u>Particulars</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Provision for employee benefits Gratuity	5,273,836	4,123,836
Total	5,273,836	4,123,836

