

SHARDUL SECURITIES LIMITED



36TH ANNUAL REPORT 2020 - 2021

Regd. Office:
G-12, Tulsiani Chambers 212,
Nariman Point, Mumbai - 400 021.

**SHARDUL
SECURITIES LIMITED**

Regd. Office: G-12, Tulsiani Chambers 212, Nariman Point, Mumbai 400 021.

BOARD OF DIRECTOR

| | |
|----------------------------|--|
| R. Sundaresan | - Executive Chairman |
| Charul Abuwala | - Independent Director |
| Devesh Vasavada | - Independent Director |
| Lalit Shah | - Independent Director |
| Yogendra Chaturvedi | - Executive Director and Chief Executive Officer |
| Daya Bhalia | - Executive Director and Company Secretary |
| Tarun Chaturvedi | - Chief Financial Officer |

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AUDITOR:
M/s. J. Kala & Associates
BANKER:

HDFC Bank Limited

REGISTERED OFFICE:

G-12, Tulsiani Chambers,
212, Nariman Point, Mumbai 400 021
Tel. No.: 40090500
Fax No.: 22846585
Website: www.shardulsecurities.com
E Mail: investors@shriyam.com
SUBSIDIARY COMPANIES:
Shriyam Broking Intermediary Limited
712-713, Tulsiani Chambers,
212, Nariman Point, Mumbai 400 021

Shriyam Realtors Private Limited

9 Metro Commercial Centre 1st Floor,
Behind Gujrat High Court, Ashram Road,
Ahmedabad GJ 380009 IN

REGISTRARS AND SHARE TRANSFER AGENT
Link Intime India Private Limited
Address: C-101, 247 Park,
LBS Marg, Vikhroli West,
Mumbai - 400 083
Tel. No.: +91 22 49186270
Fax: +91 22 49186060
E mail: rnt.helpdesk@linkintime.co.in

NOTICE

NOTICE is hereby given that the Thirty-Sixth Annual General Meeting of the Members of Shardul Securities Limited will be held on Wednesday, 29th September 2021 at 4:00 p.m. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited (Standalone and Consolidated) Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Yogendra Chaturvedi (DIN: 00013613), who retires by rotation and being eligible, offers himself for re-appointment.

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (the "MCA") vide its circular no. 02/2021 dated January 13, 2021 and Securities and Exchange Board of India (the "SEBI") vide its circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, have allowed the companies whose Annual General Meeting (the "AGM") is due in the calendar year 2021, to conduct the same through Video Conferencing ("VC") and/or Other Audio Visual Means ("OAVM") facility.
2. The 36th Annual General Meeting of the Company is therefore convened through Video Conferencing ("VC") and/or Other Audio Visual Means ("OAVM") facility. In accordance with the various circulars issued by MCA viz., circular no. 14/2020 dated April 8, 2020, circular no. 17/2020 dated April 13, 2020, circular no. 20/2020 dated May 5, 2020, circular no. 02/2021 dated January 13, 2021 (the "MCA Circulars") and SEBI viz., circular SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (the "SEBI Circulars") (together referred as the "Circulars"), without the physical presence of the members at a common venue. The deemed venue for the 36th Annual General Meeting will be the registered office of the Company at G-12, Tulsiani Chambers 212, Nariman Point, Mumbai 400 021.
3. Since this AGM is being held pursuant to the MCA circulars & SEBI circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
4. In line with the MCA General Circular dated May 5, 2020, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 36th AGM has been uploaded on the website of the Company at www.shardulsecurities.com under 'Investor Service' section and may also be accessed on the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The Notice is also available on the website of Link Intime India Pvt. Ltd. (Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM) i.e. <https://instavote.linkintime.co.in>.
5. Register of Members / Transfer books will be closed from 23rd September 2021 to 28th September 2021 (both days inclusive).
6. Any person, whose name appears in the Register of member/ list of Beneficial Owners as on Cut-off date provided herein below, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the items/ resolutions set forth in this Notice. Process for e-voting is provided herein below. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

The members, who have cast their vote(s) by remote e-voting, may also attend the AGM but shall not be entitled to cast their vote(s) again during the AGM.
7. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.
9. M/s Dharendra Maurya & Associates, Company Secretary in practice has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
10. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total vote(s) cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

11. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.shardulsecurities.com and on the website of Link Intime India Pvt. Ltd (LIPL): <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
12. Unpaid/Unclaimed Dividend:

Members are hereby informed that the Company has transferred to "Investor Education and Protection Fund" of the Central Government all unclaimed dividends up to the Financial Year 2012-13. Dividend declared in the earlier years and remaining unpaid will be deposited with the above fund of the Government at the expiry of 7 years from the date of their transfer to unclaimed dividend account. Shareholders who have not encashed the dividend warrants, declared after this period are requested to encash their dividend warrants immediately.

Further, in terms of Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto and notification issued by the Ministry of Corporate Affairs from time to time, the Company has transferred during the year, the required number of shares in respect of which dividends have remained unclaimed for a period of seven consecutive years or more to the IEPF Account.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are accordingly requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
14. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General meetings issued by the Institute of Company Secretaries of India, are provided in the Corporate Governance Report forming part of the Annual Report.
15. Member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her queries to the Company at least eight days prior to the meeting so that the required information can be made available at the Meeting.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Private Limited (LIPL), the Company's Registrar and Transfer Agents in case the shares are held by them in physical form.
17. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
18. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting for limited time each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
19. Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the AGM.

Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Link Intime India Private Limited (LIPL).

The instructions for shareholders voting electronically are as under:

The voting period begins on 9.00 A.M on 26th September 2021 and ends on 5.00 P.M on 28th September 2021. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September 2021, may cast their vote(s) electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in demat mode with CDSL | <ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) & login through their depository participants | <ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME. | <ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) |

| | |
|--|--|
| | <p>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <p><input type="checkbox"/> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).</p> <p><input type="checkbox"/> Click "confirm" (Your password is now generated).</p> <p>2. Click on 'Login' under 'SHARE HOLDER' tab.</p> <p>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</p> <p>4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</p> <p>5. E-voting page will appear.</p> <p>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</p> <p>7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</p> |
|--|--|

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43. |

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

Process and manner for attending the Annual General Meeting through InstaMEET:

The Company is pleased to provide its members, the facility to attend the 36th Annual General Meeting through VC / OAVM. For this purpose, the Company has availed the INSTAMEET and INSTAVOTE services of M/s Link Intime India Pvt. Ltd. for facilitating its members to participate at the AGM and cast their votes electronically. Facility for joining the Annual General Meeting through VC/OAVM shall open 30 (Thirty) minutes before the time scheduled for the Annual General Meeting. The Company has provided VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited.

Members will be able to attend the AGM through VC / OAVM by following the procedure given below:

1. Open the internet browser and launch the URL: <https://InstaMEET.linkintime.co.in>

☐ Select the **"Company"** and **'Event Date'** and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

☐ Click "Go to Meeting" (You are now registered for InstaMEET and your attendance is marked for the meeting).

Please refer the instructions (Annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMEET Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMEET:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the investors@shriyam.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMEET:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMEET facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMEET. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to InstaMEET@linkintime.co.in or contact on: - Tel: 022-49186175.

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>
or
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

| Step 1 | Enter your First Name, Last Name and Email ID and click on Join Now. |
|---------------|--|
| 1 (A) | If you have already installed the Webex application on your device, join the meeting by clicking on Join Now |
| 1 (B) | If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now |

For and on Behalf of the Board

Place: Mumbai
Date: 29th June 2021

Yogendra Chaturvedi
Executive Director & CEO

Daya Bhalia
Executive Director and
Company Secretary

Regd. Office:
 G-12, Tulsiani Chambers
 212, Nariman Point
 Mumbai 400 021

DIRECTORS REPORT FOR THE FINANCIAL YEAR 2020-2021

To,
The Members of
Shardul Securities Ltd.

Your Directors are pleased to present the Thirty-Sixth Annual Report and the Audited Accounts for the year ended March 31, 2021.

1. Financial Results:

| | 2020-2021 | (Rs. in lakhs) 2019-2020 |
|---------------------------------------|------------------|---|
| Profit/(Loss) before Depreciation | 1,854.80 | (851.72) |
| Less: Depreciation | 27.67 | 27.80 |
| Profit/(Loss) before Taxation | 1,827.13 | (879.52) |
| Less: Tax Expenses | | |
| Current tax | 33.85 | 21.00 |
| Deferred Tax | 416.53 | (252.78) |
| Profit / (Loss) after Taxation | 1,376.75 | (647.74) |
| Other Comprehensive Income | 8,936.93 | (3,177.87) |
| Total Comprehensive Income | 10,313.68 | (3825.61) |

2. Impact of the covid-19 pandemic on the business of the company:

During the current FY 2020-21, the COVID-19 pandemic developed rapidly globally thereby forcing the government to enforce complete/partial lock-down time to time. Almost all economic activities except essential services which were allowed to operate with limited staff strength were affected. As capital markets and banking services were declared as essential services, your Company continued its operations by strictly adhering to the minimal staff strength requirement and maintaining social distancing and other precautions as per the Government directions.

In order to ensure health and wellbeing of the employees, employees were encouraged to work from home and were provided necessary infrastructure to ensure efficient functioning. All operations and servicing of clients were smoothly ensured without any interruptions as the activities of trading, settlement, Stock Exchanges and depository functions are fully-automated and seamless. Based on the facts and available figures, the Company has been operating in the normal course and there have been no adverse impact on the liquidity, revenues or operational parameters during the year ended March 31, 2021.

3. Dividend:

In view of conserving resources of the Company, your Directors do not recommend any dividend for the financial year ended March 31, 2021.

4. Transfer to Reserves:

As per requirement of RBI regulations, the Company has transferred to Statutory Reserve Fund an amount of Rs. 275.35 Lakhs in Financial Year ended March 31, 2021.

5. Consolidated Financial Statements:

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

6. Share Capital:

The paid up Equity Share Capital of the Company as on March 31, 2021 is Rs. 17,49,84,330/- comprising of 174,98,433 equity shares of Rs. 10/- each. We would like to inform to our shareholders that there is no change in the paid up equity capital of the Company during FY 2020-21.

7. Change In The Nature Of Business:

There was no change in the nature of the business of your Company during the financial year.

8. Material Changes And Commitments Affecting The Financial Position Of Your Company:

There were no material changes and commitments affecting the financial position of your Company between the end of FY 2020-21 and the date of this report, which could have an impact on your Company's operations in the future or its status as a "Going Concern".

**9. Management Discussions and Analysis Report:
Financial Performance:****(i) Overall Economic View**

The year under reporting continued to reel under pressure globally thanks to the widespread pandemic and India was no exception. In fact, India suffered more during the last quarter that spilled over the next year as well.

The various measures taken by the Government to protect the precious lives of the people resulted in lock downs over a long period during the reporting year. The private enterprises suffered the blunt of the burden by not being able to even keep their doors open let alone the employees being able to turn around.

A few industries in IT segment worked fairly on even scale thanks to the technology but industries that required manpower suffered that resulted in huge downward swing in production and employment. Agriculture sector did well as the rural and semi urban area did not suffer the same impact as the urban and metropolitan areas suffered.

If we analyze the overall impact, agriculture production was on the rise, IT segment contributed significantly to the GDP, foreign exchange reserves went up significantly almost crossing 600 billion dollars, a record high indicating the influx of remittances, investments and transfer of foreign held funds. The GDP contracted by 7.3 percent as against 8 percent during the previous year that clearly reflects the state of economy that prevailed.

Indian exports and imports shrank by more than 6 percent during the year indicating the extent of the slowdown of the economy.

However, the Government has projected a GDP growth rate of about 9.4 percent for the ensuing year as the green shoots are visible thanks to various economic measures initiated by the Government.

(ii) Industry Structure and Developments:

The financial sector witnessed a heavy stress and strain as recovery of loans and advances was probably at its lowest levels. Moratorium of payment of interest and instalments consequent to wage cuts and unemployment resulted on lower growth in income coupled with increase in expenses. As a result the performance of Banking sector is likely to witness lower profitability and growth.

The same situation could prevail in NBFC segment though the loan offtakes have increased in the retail segment consequent to increased activities on account of adequate demand in food, medical, and other consumables.

The capital market however witnessed a conflicting position by increase in index values both in NSE and BSE touching record levels. The retail investors appear to have entered the capital markets significantly that propelled the market to new highs.

Notwithstanding the volatility and speculative investments, the boost in indices have prompted corporates to come out with new public issues in a big way and the market support has been fairly encouraging.

(iii) Business Review:

Despite the economic slowdown, high volatility in capital markets, and other uncertainties your company could achieve comparable results with that of the previous year. The setback suffered during the previous year end, got reversed the current year as is evidenced in the financial statements, thanks to higher turnover in capital markets coupled with recovery of index levels. However, these profits are more by way of valuation albeit there was marginal increase in income by way of operations also.

(iv) Opportunities and Threats:

The GDP is projected to recover to around 9.4 percent which is not a bad news for business growth. The Government has announced several measures to boost the economic activities but it remains to be seen if these measures would be adequate to bring a turnaround in the economy to the expected levels. However, the continued support in capital market activities give hopes of a turn around for companies like us and therefore we may witness better results in coming year.