



SUMEDHA
adding values to value



**Adding
Values to Value**

ANNUAL REPORT 2016-17
SUMEDHA FISCAL SERVICES LIMITED



SUMEDHA FISCAL SERVICES LIMITED

(CIN : L70101WB1989PLC047465)

REGISTERED and CORPORATE OFFICE

6A Geetanjali, 8B Middleton Street, Kolkata – 700 071

Tel: +91 33 2229 8936/6758/3237/4473 Fax: +91 33 2226 4140/2265 5830

Website: www.sumedhafiscal.com Email: kolkata@sumedhafiscal.com

BRANCH OFFICES

MUMBAI

C-703 “Marathon Innova”,
Off Ganapatrao Kadam Marg,
Opp. Peninsula Corporate Park,
Lower Parel (W) , Mumbai - 400 013
Tel: +91 22 4033 2400
Fax: +91 22 2498 2878
Email: mumbai@sumedhafiscal.com

NEW DELHI

B1/12, Safdarjung Enclave, 2nd Floor,
New Delhi – 110 029
Tel: +91 11 4165 4481/4482
Fax: +91 11 4165 4483
Email: delhi@sumedhafiscal.com

AHMEDABAD

A/82, Pariseema Complex, Opp. IFCI Bhawan,
C.G. Road , Ahmedabad – 380 009
Tel: +91 79 3002 3337 / 6605 2957
Fax: +91 79 2646 0394
Email: ahmedabad@sumedhafiscal.com

BANGALORE

“Park Plaza”, 1st Floor, No. 1 Park Road,
(Off. Infantry Road), Tasker Town,
Bangalore – 560 051
Tel: +91 80 4124 2545 / 2546
Fax: +91 80 4124 2547
Email: bangalore@sumedhafiscal.com

HYDERABAD

309/1, 3rd Floor, Krishna Plaza,
Khairatabad, Hyderabad – 500 004
Tel: +91 40 4020 2826/4026 7272
Fax: +91 40 4020 2826
Email: hyderabad@sumedhafiscal.com

NSE CASH: INB231075830, NSE DERIVATIVES: INF231075830, NSE CURRENCY DERIVATIVE
SEGMENT: INE231075830, BSE CASH: INB011075836, BSE DERIVATIVES: INF011075836, MSEI
(CURRENCY DERIVATIVES): INE261075830, DEPOSITORY PARTICIPANT OF NSDL: IN-DP-NSDL-
303-2008, AMFI NO: ARN - 0205, *MCX MEMBERSHIP: INZ000045938 SEBI CATEGORY I
MERCHANT BANKER: MB/INM000008753, PMS: PM/INP000004144

(* Through Subsidiary Company)

BOARD OF DIRECTORS



Mr. Ratan Lal Gaggar, Chairman
Independent Director



Dr. Basudeb Sen
Independent Director



Mr. Atul Chandra Varma
Independent Director



Mr. Prashant Sekhar Panda
Independent Director



Mr. Prabhat Agarwala
Independent Director



Mr. Vijay Maheshwari
Non-Executive Director



Mr. Anil Kumar Birla
Non-Executive Director



Mr. Bijay Murmuria
Non-Executive Director



Mr. Bhawani Sankar Rathi
Wholetime Director



Mrs. Garima Maheshwari
Non-Executive Director

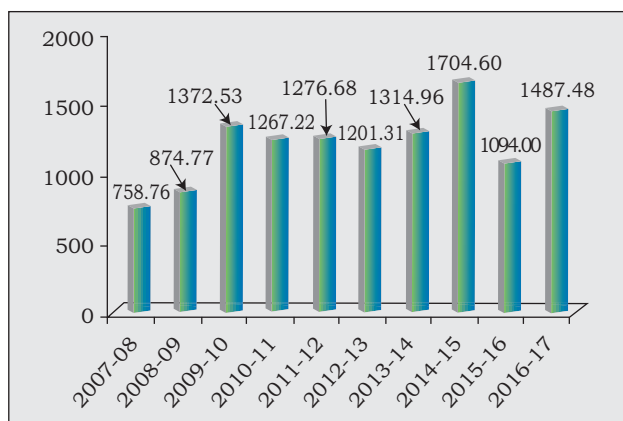


KEY BUSINESS HIGHLIGHTS IN 2016 – 2017

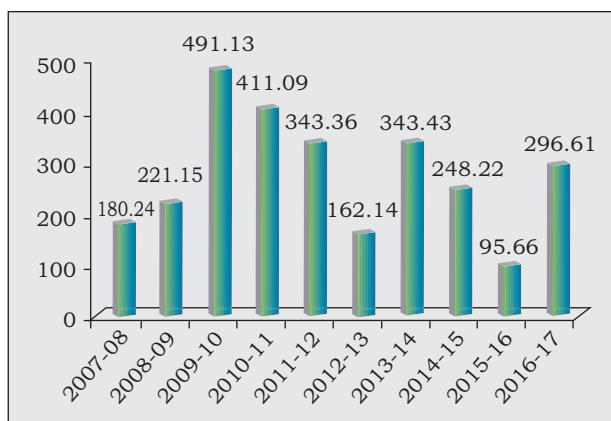
- PAT stood at ₹ 296.61 Lakhs.
- The Investment Banking Segment continues to remain the major earning vertical accounting to 52.86% of Total Income and 27.85% of operating profits of the Company.

PERFORMANCE HIGHLIGHTS

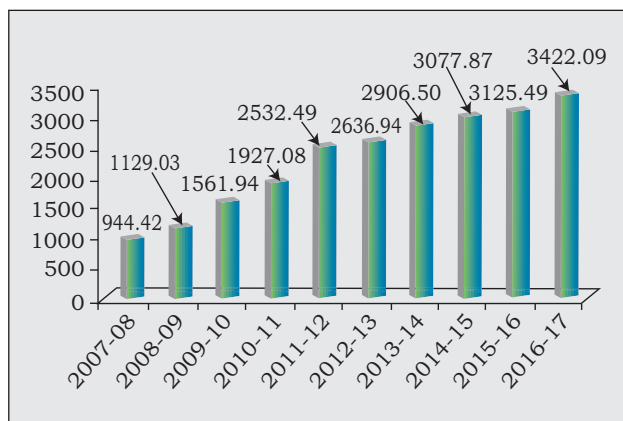
INCOME FROM OPERATIONS (In ₹ lacs)



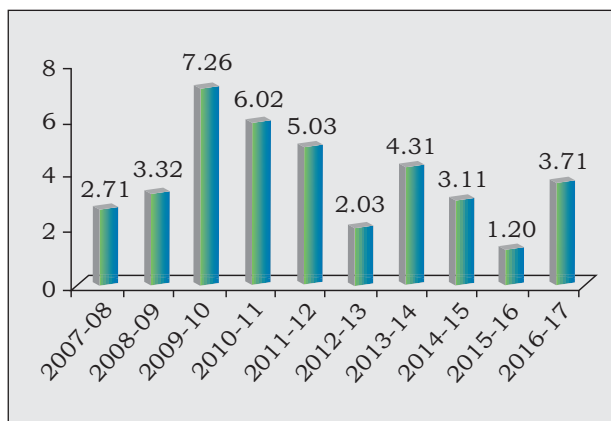
PAT (In ₹ lacs)



SHAREHOLDERS' FUND (In ₹ lacs)



EPS (In ₹ lacs)



CHAIRMAN'S ADDRESS



Dear Stakeholders,

Welcome to the 28th Annual General Meeting of your Company. I thank you for your sustained trust, encouragement and support.

Since we last met, India has moved ahead and looked at as a role model on several aspects. The transformative changes are oriented for creating infrastructure and removal of obstacles to growth and development. Capacity building in roads, railways, ports, rural electrification are some of the areas being emphasized like never before. Outcome of Government initiatives for “Make in India” and “Ease of Doing Business” and “Digital India” are all pervasive.

All these positive developments have thrown up fresh challenges such as massive migration of rural population to cities, urban infrastructure constrains etc.

In the year gone by, we continued to be amazed by the incredible depth, resilience and determination showed by the Indian economy. Like the global economy, it was another year of volatility, uncertainty, complexity and ambiguity of general conditions and situations, impacted by events like Brexit and election results across the globe as well as domestic ones like Demonetisation and other reforms. Despite all constraints, the economy still grew at a healthy 7.1%, one of the fastest across the world and well above peers of comparable size.

In FY18, while the global economic environment will continue to be challenging, India will be a bright spot with strong, sustained GDP growth. The reforms undertaken over the course of the years will have a far-reaching and long-lasting impact. Initiatives like Demonetisation and the proposed rollout of GST are likely to transform the Indian economic landscape. While we may witness short-term volatility, the long-term trend continues to be upward. These changes would help make India a single market, thereby

spurring productivity, investment opportunities, competitiveness, job creation and incomes.

Bankruptcy law

The recently introduced Insolvency and Bankruptcy Code 2016 (IBC) has provided a time bound frame-work for resolution of loan defaults under supervision of the National Company Law Tribunal. RBI has come forward to decide the cases (corporate defaulters) to be taken up by the Banks for resolution under IBC. Success of the scheme would largely depend on capacity of the Insolvency Professionals engaged to organize and monitor the prescribed process from initiation and carrying out the process as well as to run the organization till it is disposed off/settled. The platform is susceptible to misuse by disgruntled employees of the borrower and small time creditors.

The process indeed would unblock flow of lenders' resources to eligible borrowers and bring back Banks burdened with NPAs to health. Your Company is also to gain with fresh flow of funds to borrowers and utilising the company's skill set for larger cases arising out of restructuring, management buyouts and settlements.

Now SEBI has required listed companies to disclose any default in payment of interest and principal due to the banks and financial institutions to Credit Rating Agencies within one working day and outstanding amount in default as on the last day of the Quarter within 7 days from the Quarter end to the Stock Exchanges (w.e.f. October 1, 2017). The requirement would bring in more discipline in loan repayments and supplement RBI's war on NPAs.

Governance

Governance has been a weak area holding back growth of the economy and transfer of benefits to targeted section of the population. Digitization of the benefit delivery process and identification of the beneficiary through Aadhar have ushered in a paradigm shift in efficiency and service delivery process. Transparency, governance and inclusive growth should take India to next level of development.

Key area of focus

Investment Banking continues to be the focus area for the Company, as a one-stop solution for major value added corporate services. The services covered include merchant banking, loan syndication, financial restructuring, resolution of stressed assets, merger amalgamation, placements of securities. Income therefrom rose by 25% to ₹ 871 lacs in FY 17 compared to ₹ 695 lacs during FY 16. Your Company's better performance was due to continued focus on improving operational parameters and customer centricity. Your Company's shares have done much better in last one year due to better results and improved working environment.

Financial performance

The Company despite challenges arising out of Demonitisation and GST implementation has

posted revenues of ₹ 1487 lacs during FY17 (₹ 1094 Lacs for FY 16 - 36% increase). Profit before Tax increased to ₹ 441 lacs against ₹ 153 lacs in the previous year, whereas PAT increased to ₹ 297 lacs compared with ₹ 96 lacs for FY16. EPS stood at ₹ 3.71 in FY17, compared to ₹ 1.20 in FY16.

Looking ahead

With positive developments all around, your Company is sure of availing the opportunities to consolidate and move forward.

Regards,



R. L. Gaggar

Chairman



www.sumedha.co.in

INVESTMENT BANKING • WEALTH MANAGEMENT • BROKING SERVICES

VALUES

That little addition which changes the dynamics of everything ...

...be it in the way you conduct your business, nurture relationships or in your day to day interactions.

At Sumedha, we understand why this little addition is so critical for growth and maintaining long lasting relationships.

Since our inception more than a decade ago, we have nurtured these values. We today take so much pride in maintaining transparency in our dealings, of going that extra mile to ensure greater success for you and standing by you through thick and thin.

Bring that little 'S' in your business with Sumedha and experience the change yourself.

Values we stand by at Sumedha

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Corporate Information

Board of Directors

Mr. Ratan Lal Gaggar, *Chairman*

Dr. Basudeb Sen

Mr. Atul Chandra Varma

Mr. Prashant Sekhar Panda

Mr. Prabhat Agarwala

Mr. Vijay Maheshwari

Mr. Anil Kumar Birla

Mr. Bijay Murmuria

Mr. Bhawani Sankar Rathi, *Wholetime Director*

Mrs. Garima Maheshwari

Company Secretary

Mr. Deb Kumar Sett

Registered & Corporate Office

6A, Geetanjali, 8B, Middleton Street,
Kolkata – 700071.

Corporate Identity No.: L70101WB1989PLC047465

Tel: + 91 33 2229 8936/6758/3237/4473

Fax: + 91 33 2226 4140/2265 5830

Web: www.sumedhafiscal.com

Email: kolkata@sumedhafiscal.com

Bankers

Canara Bank

HDFC Bank

Auditors

ARSK & Associates, Chartered Accountants,
Kolkata

Registrar & Share Transfer Agents

Maheshwari Datamatics Private Limited

23 R. N. Mukherjee Road, 5th Floor,

Kolkata - 700 001

Tel. No.: 033-2243-5029, 2248-2248

Fax No.: 033-2248 4787

Email: mdpldc@yahoo.com

Annual General Meeting

Day: Saturday

Date: 23rd September, 2017

Time: 10.30 A.M.

Venue: Merchants' Chamber of Commerce & Industry

15-B, Hemanta Basu Sarani,

Kolkata - 700 001

Sumedha Fiscal Services Ltd.

CIN - L70101WB1989PLC047465

Registered Office: 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071

Tel : 033-2229-8936/6758 Fax : 033-2226-4140/ 033-2265-5830.

Email: investors@sumedhafiscal.com Website: www.sumedhafiscal.com

NOTICE OF 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Eighth Annual General Meeting of Sumedha Fiscal Services Ltd. will be held at Merchants' Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001, on Saturday, the 23rd day of September, 2017 at 10:30 AM for transaction of the following business:-

ORDINARY BUSINESS

1. To consider and adopt –
 - a. Audited Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon; and
 - b. Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017.
2. To declare Dividend for the financial year ended March 31, 2017;
3. To appoint a Director in place of Mrs. Garima Maheshwari (DIN – 07001628) who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint M/s. V. Singhi & Associates, Chartered Accountants, 4, Mangoe Lane, Ground Floor, Kolkata – 700001 (Firm Registration No. 311017E) as Auditors of the Company [in place of M/s. ARSK & Associates, Chartered Accountants] u/s. 139(2) of the Companies Act, 2013 from conclusion of the forthcoming Annual General Meeting for the financial year 2017-18 to the conclusion of the Annual General Meeting for the financial year 2021-22 (subject to ratification by the Members at every Annual General Meeting held thereafter) and at such remuneration as shall be fixed by the Board of Directors.

Registered Office:
6A, Geetanjali,
8B, Middleton Street,
Kolkata – 700 071.
Date : May 20, 2017

By Order of the Board
Deb Kumar Sett
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed **from Tuesday, September 19, 2017 to Saturday, September 23, 2017** (both days inclusive). The **Book Closure** dates have been fixed in consultation with the Stock Exchanges.
4. The Dividend for the financial year ended 31st March, 2017, as recommended by the Board, if approved at the AGM, will be paid on or after **Thursday, September 28, 2017** to those Members whose name appears in the Register of Members of the Company as on the Book Closure dates.
5. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
6. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Maheshwari Datamatics Pvt. Ltd./the Company immediately (attached NECS Mandate vide website http://www.sumedhafiscal.com/ecs_mandate.pdf).
7. Mrs. Garima Maheshwari, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment at the forthcoming Annual General Meeting. The relevant details of the Director seeking re-appointment under Item No. 3 of this Notice are annexed hereto. The Independent Directors of the Company have been appointed for a term of 5 years in accordance with the relevant provisions of the Companies Act, 2013, and are not eligible to retire by rotation.
8. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting a duly filled-in 'Form for Updation/Registration of Email Address (available on the website of the Company http://www.sumedhafiscal.com/email_form.pdf) to M/s. Maheshwari Datamatics Pvt. Ltd. or Investor Service Department of the Company. Members holding shares in demat form are requested to register their email address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
9. The Notice of AGM, Annual Report and Attendance Slip are available on the Company's website (www.sumedhafiscal.com) under the head "Investors" web-link thereof are being sent in electronic mode to Members whose email address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy thereof. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.
10. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Saturday, September 16, 2017**, being the **cut-off date**, are entitled to vote on the Resolutions set forth in this Notice.

Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The **remote e-voting period** will commence at **Wednesday, September 20, 2017** (9.00 A.M. IST) and end on **Friday, September 22, 2017** (5.00 P.M. IST). Voting by ballot process shall be available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to

vote at the AGM. The Company has appointed M/s. A. K. Labh, a firm of Company Secretaries in Practice, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

- I. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:
 - (i) The voting period begins on Wednesday, September 20, 2017 (9.00 A.M. IST) and ends on Friday, September 22, 2017 (5.00 P.M. IST). 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 September 16, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.