

BRD SECURITIES LIMITED

**25th ANNUAL REPORT
2017-18**

BRD Corporate Social Responsibility (CSR) Initiatives

1. BRD's helping hand for rebuilding Kerala.



Shri. C.C William Varghese, Chairman, handing over BRD's financial contribution to Chief Minister's Distress Relief Fund (CMDRF) to Smt. T.V Anupama, Thrissur District Collector, as part of BRD's Corporate Social Responsibility (CSR) activities, for helping families and individuals distressed by calamity, loss of life due to flood and heavy rains in State of Kerala.

2. BRD's caring for children with long term illnesses and their families.



Shri. C.C William Varghese, Chairman, along with BRD Directors handing over MARUTI ECCO vehicle, as part of BRD's Corporate Social Responsibility (CSR) activities, to Smt. Sheeba Ameer, Founder & Secretary, Solace Foundation for improving their services for children with long term illnesses.

BRD SECURITIES LIMITED

U67120KL1993PLC007022

REGISTERED OFFICE

Bethany Complex, Kunnamkulam

Thrissur - 680 503.

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BRD SECURITIES LIMITED

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting their 25th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2018.

Company Overview

BRD Securities Limited ("Your Company" or "The Company") is a leading Non-Systemically Important Non-Deposit taking Company with Asset Finance as its core niche. We have our Corporate Office/ and Registered Office at Kunnankulam, Thrissur. BRD Securities Limited is a reputed NBFC in BRD Group, headquartered in Kunnankulam. BRD group is headed and led by Shri. C.C. William Verghese, whose constant and consistent efforts, coupled with the daring and positive attitude has made BRD more visible, audible and acceptable to all. The never ending passion for goals of the Chairman, who leads the BRD team from the front, is the real secret behind the success and raising of the group to the present reckoning. Under his leadership, the Company is emerging as one of the prominent NBFC in Kerala.

FINANCIAL HIGHLIGHTS:

A summary of Company's Standalone Financial results for the financial year 2017-18 is as under:

Rs

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Revenue from operations	37,44,54,663	390,443,731
Other Income	10,41,25,623	12,05,45,355
Total Revenue	47,85,80,286	51,09,89,086
Expense	43,47,38,606	46,07,98,075
Profit/(Loss) before taxation	4,38,41,680	5,01,91,011
Less : Tax Expense	1,82,31,570	1,28,77,170
Profit/(Loss) after tax	2,56,10,110	3,73,13,841

Industry overview

Non-banking financial Companies (NBFCs) are an important alternative channel of finance for the commercial sector in India's bank dominated financial sector. NBFCs' has a great role in promoting financial inclusion and catering the needs of small businesses and specialised segments. NBFCs are mostly private sector institutions that specialise in meeting the credit needs and a variety of financial services of niche areas which, inter alia, include financing of physical assets, commercial vehicles and infrastructure loans. Now a days, regulations relating to governing non-banking financial companies (NBFCs) are being increasingly

harmonised with those of banks to forge the right balance for financial stability while encouraging them to focus on specialised areas. The regulators of NBFCs in India are very concerned about improving the legal and regulatory framework for NBFCs, so that the financially weaker people and small businesses could reap the benefits of financial inclusion. The NBFCs in India has slowly moved to the space of Commercial Banking in the recent past. It is observed by some experts that, the Banks in India has slowed down its lending business owing to increased bad loans which in turn created space for NBFC's to grow further. As per the statistics in March 2018, there are around 11,402 NBFC s registered with Reserve

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Bank of India, out of which around 156 were deposit accepting NBFCs (NBFC-D) and 249 systematically non-important non deposit accepting NBFCs (NBFC-ND-SI). No doubt, the NBFCs in India has become a supplementary sector to the banking sector and are also engaged in other businesses like alternative investments, chits, nidhi, stock broking etc which led to their unbeatable growth. As per CRISIL data, India's financial inclusion has improved significantly. Among regions, south India continues to lead in financial inclusion by a significant margin. Among states, Kerala was well ahead with a CRISIL Inclusix score of 90.9. Banks. Financial companies and financial services are all players in the financial inclusion in India and they have done their role well this financial year.

(Data Source: RBI, CRISIL & News & Industry reports)

State of the Company's Affairs and Future Outlook:

The financial year 2017-2018 was a challenging and defining year for the Indian economy. Post demonetization, the Country witnessed the implementation of long awaited Goods and Services Tax (GST) introduced with the slogan 'One Tax One Nation' in July 2017. Like any other new tax regime, GST created panic and confusion among the businessmen and professionals at the initial implementation stage and such worries has faded by beginning of 2018. In spite of the challenges, we achieved a profit of Rs.43,841,680(before tax) in financial year 2017-18. Revenue from the operations & other income of the company decreased from Rs.51.09 crores to Rs. 47.85'crores and expenses reduced from Rs. 46.07' crores to ` Rs. 43.47' crores.

The management of the Company is thinking of focusing on diversified products/services that will cater the financial needs of all types of customers. management in achievement of objects of the Company.

Change in nature of business, if any:

During the year of report there was no change in the nature of business of the company.

Dividend:

The Company had declared and paid an interim dividend at 18% to its members in December, 2017 However, the Board of Directors does not recommend any final dividend for the financial year 2017-18 with a view to conserve resources of the Company.

Amounts Transferred to Reserves:

The Board has not proposed to transfer any amount to its General reserves for the financial year 2017-18. However, the company has transferred Rs.51,22,022/- towards its Statutory reserve as per the RBI norms, and the balance in statutory reserves after aforesaid transfer as on 31st March 2018 stands at Rs.85,206,015/- .The total reserve and surplus as on 31st March 2018 stands at ` Rs. 289,186,457/-

Share Capital:

The paid up equity share capital as at March 31, 2018 stood at Rs.312,222,480. During the Financial Year 2017-18, there were no changes in the Authorized share capital and subscribed, issued and paid up capital of the company.

Disclosure regarding Issue of Equity Shares with Differential Rights:

The company has not issued any shares with differential rights during the year.

Disclosure regarding issue of Employee Stock Options:

The company has not issued any shares under an Employee Stock Option scheme during the year

Disclosure regarding issue of Sweat Equity Shares:

The company has not issued any sweat equity shares during the year.

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Deposits

During the year under review, your Company neither accepted nor renewed any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

Deposits accepted during the year (Renewal)	NIL		
Deposits remained unpaid or unclaimed as at the end of the year	NIL		
Default in repayment of deposits or payment of interest thereon during the year, if any (indicate no. of cases)	Amount		
	At the beginning of the year	Maximum during the year	At the end of the Year
	NIL		
Deposits which are not in compliance with the requirements of Chapter V of the Act	NIL		

Extract of Annual Return:

The extract of Annual Return in Form no.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2018 is annexed hereto as Annexure 1 and forms part of this report.

Board of Directors and meetings:

The composition of Board is mainly governed by the Companies Act 2013 and rules framed thereunder. The Board of Directors of the Company comprises of 11 Directors as on 31st March 2018. During the financial year 2017-18, Shri.Mathew Jose and CS Bahuleyan Raman Nalupurakkal were appointed as Independent Directors. The name, designation, date of appointment and the number of Board meetings attended by each of them in the FY 2017-18 are given below-

Sl No	Name of Director	Designation	Date of Appointment	No.of Board Meetings attended
1	C C William Varghese	Chairman &MD	09.03.1993	11
2	C Kuriappan Appumon	Director	06.10.2001	11
3	Gigy Verghese Pulikkottil	Director	09.03.1993	11
4	Porathur Antony Devassy	Director	06.10.2001	11
5	Jojo Joseph Njezhuvinkel	Director	23.06.2016	11
6	Surendran T K	Director	23.03.2006	11
7	Chanayil Surendran Gopalan	Director	09.03.1993	11
8	Mary Williams	Director	09.03.1993	-
9	Prasad Punnoose	Director	14.12.1996	-
10	Mathew Jose	Independent Director	25.01.2018	3
11	Bahuleyan Raman Nalupurakkal	Independent Director	25.01.2018	3

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Number of Board Meetings:

During the Financial Year 2017-18, 11 meetings of the Board of Directors of the company were held. The Board meetings were held on the following dates:

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	28.04.2017	9	7
2	08.06.2017	9	7
3	18.08.2017	9	7
4	28.10.2017	9	7
5	10.11.2017	9	7
6	13.11.2017	9	7
7	18.12.2017	9	7
8	08.01.2018	9	7
9	24.01.2018	11	9
10	26.02.2018	11	9
11	26.03.2018	11	9

Particulars of Loan, Guarantees and Investments under Section 186

The company has not given any guarantee or provided security in connection with any loan or made any investment in securities as per the provisions of section 186 of the Companies Act, 2013.

Being an NBFC Company, provisions of section 186 of the Companies act 2013 in connection with loan not applicable to the Company.

Particulars of Contract or Arrangements with Related Parties:

The particulars of contracts or arrangements with related parties referred to in sub section (1) of Section 188 entered by the Company during the financial year ended 31st March, 2018 is annexed hereto as Annexure 2 in prescribed Form AOC-2 and forms part of this report.

Explanation to Auditor's Remarks:

The auditors' remarks in their report to the members and reply of Board of Directors with

respect to the same are given below.

Note 4 of the financial statements indicate the balance of the accumulated Reserves & Surplus of the Company. Company has paid interim dividend on 18th December, 2017 amounting to Rs. 5, 62, 00,046. Interim dividend along with dividend distribution tax is shown as deduction from the accumulated balance in the surplus account and has not transferred any amount to General reserves. The General reserve balance and profit and loss account as on balance sheet dates stood at Rs. 1, 57, 31,326 and Rs. 27, 98,540 respectively.

Response of Board of Directors:

The Board declared the interim dividend on the basis of profits and free reserves available on the date of declaration. This was in compliance of the relevant provisions of the Companies Act, 2013.

Material Changes Affecting the Financial Position of the Company

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date of the report.

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

A. Conservation of Energy:

The Company is engaged in the financial services sector and therefore conservation of energy, technology absorption etc. have a limited application. However, the Company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operations.

B) Technology Absorption :

During the period under review there was no major technology absorption undertaken by the Company.

C) Foreign Exchange Earnings and Outgo

There was no Foreign Exchange Earnings and

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Outgo during the year.

Details of Subsidiary, Joint Venture or Associates:

No company has become or ceased to be a Subsidiary, Joint Venture or Associate of the company during the year.

Risk Management Policy:

Your Board of Directors are concerned about the risk management functions of the Company. As the Company is engaged in lending loans and collecting funds through Non-convertible Debentures (NCDs) and Sub-ordinated Debt, the Company has to face certain risks. The risks associated with the Company is perceived in three ways - Market risk, Credit Risk and Operational Risk. Your company has taken measures to address risks associated with business and has a dedicated team to overlook the risks involved in operations of the Company.

The Board has adopted policies as per RBI norms and has now in place various committees like Asset Liability Committee, Credit and Investment Committee and Information technology and security committee including statutory committees as per RBI norms, to assess, measure and control risks in various aspects of business and the committees has officers who reports to the Managing Director and Chairman of the Company. In our view, there are no material risks which threaten the current position of the Company.

Details of Directors and Key Managerial Personnel:

Pursuant to Section 203 of the Companies Act 2013 and rules framed thereunder, your Company had appointed Shri.Cleetus Francis as Chief Financial Officer of the Company.on 25th January 2018 . Shri.Mathew Jose and CS Bahuleyan Raman Nalapurakkal were appointed as Independent Directors on 25th January 2018.Their appointment as Independent Directors (Additional Directors) has to be regularized in this AGM and resolution for the same is set out in the notice calling AGM.

The Directors of the Company, Shri. Cheruvathoor Kuriappan Appumon, Shri. Jojo Njezhuvinkel

Joseph, Shri. Surendran Thazhathpurakkal Krishnan are retiring by rotation in the Annual General Meeting and being eligible seeks re-appointment. The Board recommend regularization of appointment of Shri. Kochumathew Chowalloor Joseph (DIN:02685057), Additional Director and also his appointment as Whole Time Director in this AGM. The resolutions for regularization and appointment/reappointment of Directors are set out in the notice calling AGM.

Additional information required under Secretarial Standards on General Meetings in respect of Directors seeking appointment at this Annual General Meeting is included as Annexure III to Directors Report.

Details of significant & material orders passed by the regulators or courts or tribunal:

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

Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements:

The company has an effective and adequate financial control system in place. The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors and the accuracy and completeness of accounting records.

Commission: (for public companies only)

The company has not provided any commission to its MD/WTD and hence the provisions relating to disclosure are not applicable.

Secretarial Audit Report:

The provisions of the Companies Act, 2013 and the rules framed there under relating secretarial audit report are not applicable to the company.

Corporate Social Responsibility (CSR) Policy:

The Company has a CSR Committee which will be considering CSR proposals and will be recommending long term sustainable projects

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having positive impact in the society. A brief outline of the CSR policy of the Company and the CSR initiatives undertaken by the Company for the financial year 2017-18 are set out in Annexure III to this report in the format prescribed in the Companies (CSR Policy) Rules 2014.

Internal Control System:

Your Company has put in place an effective internal control system and scope of the internal control system is defined in various policies adopted by the Board/committees. Your Company has an Audit Committee and Risk Management team which oversees the entire internal control framework and make recommendations to the Board based on its findings. The Board has taken measures to improve the quality and effectiveness of operations accounting and internal audit procedures within the Company and ensure timely action on major concerns without fail. The Board of Directors are hopeful that the efficiency of operations of the Company will improve in days to come.

Corporate Governance:

The Company has taken certain measures to ensure good corporate governance envisaged under the Companies Act 2013. The Board of Directors embrace the concept of Corporate Governance which ensure that a Company is governed in the best interests of all stakeholders. Corporate Governance is all about promoting fairness, transparency, accountability and compliance with laws. Good corporate governance helps to balance the interests of management and interests of all stakeholders and ensure the achievement corporate objectives without compromising on the relationship with stakeholders. The Company has in place audit committee, nomination and remuneration committee, CSR Committee and stakeholder relationship committee as per Companies Act 2013 along with other committees as per RBI norms/non-statutory committees. These statutory and non-statutory committees will benefit the Company and the stakeholders of the Company.

Committees of the Board:

As on date, the Board of Directors has the following Committees under provisions of the Companies Act 2013:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings held and attendance at meetings are detailed below.

Audit Committee:

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted primarily with the responsibility to supervise the Company's internal controls and financial reporting process. The members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Auditing. The composition, quorum, powers, role and scope of the Committee shall be in accordance with Section 177 of the Companies Act and rules framed thereunder.

The Audit committee had following Directors as its members. During the Financial Year 2017-18, 2 meetings of the Audit Committee were held on 18.08.2017 and 28.10.2017 respectively.

Name of Director	No. of meetings attended
C K Appumon	2
Gigy Verghese Pulikkottil	2
Porathur Antony Devassy	2

The Company had inducted independent Directors to Audit Committee during the period under review. On 26th March 2018, the Audit Committee was reconstituted in the following manner-

1. Shri. C C William Verghese
2. CS Bahuleyan Raman Nalapurakkal
3. Shri. Mathew Jose
4. Shri. Gigy Verghese Pulikkottil

No meetings of the committee was held after reconstitution.

During the year there were no cases of non-acceptance of recommendations of the Audit

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Committee by the Board of Directors.

Nomination & Remuneration Committee:

The committee mainly deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, Board diversity and remuneration framework and policies thereon. The committee is in the process of improving detailed criteria relating to the determination of qualifications, positive attributes and independence of directors and recommendation of candidates to the Board as well as a policy relating to remuneration of directors, key managerial personnel and other employees.

The NRC had following Directors as its members

Name of Director	No. of meetings attended
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C K Appumon	2
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Gigy Verghese Pulikkottil	2
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Surendran Thazhathpurakkal

Krishnan	2
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During the Financial Year 2017-18, 2 meetings of the NRC were held on 18.08.2017 and 28.10.2017 respectively. The Company had inducted independent Directors to committee during the period under review. On 26th March 2018, the Committee was reconstituted in the following manner.

1. Shri. William Varghese Chungath Cheru

2 .Shri. Jojo Joseph Njezhuvinkel

3 .CS Bahuleyan Raman Nalupurakkal

4. Shri. Cheruvathoor Kuriappan Appumon

No meetings of the committee was held after reconstitution.

Stakeholders Relationship Committee:

The company has constituted an Stakeholders Relationship Committee comprising of the following members:

1. Shri. C C William Verghese

2. Shri. Porathur Antony Devassy

3. Shri. Surendran Thazhathpurakkal Krishnan

The Committee looks into the matters of Shareholders/ Investors grievances relating to

transfer of shares, issue of duplicate shares, split certificate and related matters.

During the Financial Year 2017-18, 2 meetings of the Stakeholder Committee were held on 18.08.2017 and 28.10.2017 respectively. The Company had inducted independent Directors to committee during the period under review. On 26th March 2018, the Committee was reconstituted in the following manner-

1. Shri. William Varghese Chungath Cheru

2 .Shri. Porathur Antony Devassy

3 .CS Bahuleyan Raman Nalupurakkal

4. Shri. Mathew Jose

No meetings of the committee was held after reconstitution.

Corporate Social Responsibility Committee:

The CSR Committee mainly deal with CSR policy and provide guidance on various CSR activities to be undertaken by the Company and monitor process of their implementation.

The Committee had following members-

Name of Director	No. of meetings attended
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C C William Verghese	3
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Gigy Verghese Pulikkottil	3
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Surendran Thazhathpurakkal

Krishnan	3
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During the Financial Year 2017-18, 3 meetings of the CSR Committee were held on 30.05.2017, 28.07.2017 and 25.09.2017 respectively. The Company had inducted independent Directors to CSR committee during the period under review. On 26th March 2018, the Committee was reconstituted in the following manner

1. Shri. William Varghese Chungath Cheru

2 .Shri. Chanayil Surendran Gopalan

3 .Shri. Mathew Jose

4. Shri. Surendran Thazhathpurakkal Krishnan

No meetings of the committee was held after reconstitution.

Annual Evaluation:

The Board evaluated the effectiveness of its

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functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of governance. The main aspects of evaluation included the contribution to governance, participation in planning and fulfillment of obligations and responsibilities.

Disclosure on Establishment of a Vigil Mechanism:

The Company has in place a vigil mechanism for directors and employees to report genuine concerns.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, the Company has not received any complaints with allegations of sexual harassment

Disclosure u/s 143(12):

The statutory auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013 (Companies (Amendment) Act, 2013).

Dematerialisation of securities:

The Ministry of Corporate Affairs (MCA) has made it mandatory for unlisted public Companies to allot its securities and to provide facility for transfer of securities in demat mode w.e.f 02nd October 2018. Allotment and transfer of securities in physical mode is not allowed w.e.f 02nd October 2018. In order to comply with the MCA direction, the Company has taken measures to dematerialize the shares and Non-convertible Debentures (NCDs) with National Securities Depository Limited and Central Depository Services Limited

Statutory Auditors:

The Company had appointed Shri. Damodaran P, ACA (Membership No. 221178), Paravattathu Mana, Karthika, Urakam PO, Thrissur, Kerala-680562, as the Statutory Auditor of the Company to hold office from the conclusion of the Annual

General Meeting for the financial year 2016-17, held on 27.09.2017 until the conclusion of the Annual General Meeting to be held for the financial year 2021-22.

Earlier, Section 139(1) of the Companies Act 2013 had a proviso which prescribed ratification of appointment of Statutory Auditors in every consecutive Annual General Meetings. However, vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been included in notice of Annual General Meeting.

Cost Auditors:

The company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013.

Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit /loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had devised proper systems to

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ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Cautionary Statement:

Statements in this Board's report describing the Company's objectives, projections, estimates and expectations may be forward looking, within the meaning of the applicable laws, and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

Acknowledgment:

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support.

For and on behalf of the Board of Directors

Place: Kunnankulam

Date: 09/10/2018

Sd/-
William Varghese Chungath Cheru
Chairman & Managing Director
(DIN:00074708)

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ANNEXURE-1

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U67120KL1993PLC007022
ii)	Registration Date	09.03.1993
iii)	Name of the Company	BRD SECURITIES LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	XIII/436, A2, 1st Floor, Bethany Complex, Thrissur Road, Kunnamkulam, Thrissur, Kerala- 680503
vi)	Whether listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K.D.C. Consultants Limited PB No. 2016, "Kanapathy Towers", 1391/A1, Sathy Road, Ganapathy Post, Coimbatore - 641006, Ph: +91 422 4958995, 2539835/ 836

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Hire Purchase Finance	65921	80.96%
2	Business Loan	64990	19.04%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	1412654	1412654	4.52%	Nil	1587685	1587685	5.08%	xxxx
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(1)	-	1412654	1412654	4.52%	Nil	1587685	1587685	5.08%	xxxx
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter									
(A) = (A)(1)+(A)(2)	-	1412654	1412654	4.52%	Nil	1587685	1587685	5.08%	xxxx
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	2569294	2569294	8.23%	Nil	3060260	3060260	9.80%	19.11%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
I) Individual share holders holding nominal share capital upto Rs. 1 lakh	-	7705632	7705632	24.38%	Nil	7710500	7710500	24.70%	0.07%
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	19078918	19078918	61.59%	Nil	18863803	18863803	60.42%	-1.13%
c) Others Specify	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	29809594	29809594	95.48%	Nil	29634563	29634563	94.92%	-0.59%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	29809594	29809594	95.48%	Nil	29634563	29634563	94.92%	-0.59%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		31222248	31222248	100%	Nil	31222248	31222248	100%	-

ii) Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	C C William Varghese	1412654	4.52%	Nil	1587685	5.08%	NIL	12.39

BRD SECURITIES LIMITED

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

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year		Increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease	At the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	C C William Varghese	1412654	4.52%	-	-	Refer Annexure 1A	1587685	5.08%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of Top 10 Name	Shareholding at the beginning of the year		Cumulative Share holding during the year		Increase/Decrease in Shareholding during the year specifying the date and reasons for increase/ decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	BRD Finance LTD	2623911	8.23%	2623911	8.40%	Nil
2	Sreedevi Vishnu	159948	1.47%	755596	2.42%	372%
3	Prasad Punnoose	612952	1.96%	612952	1.96%	Nil
4	John Mathai	198715	0.63%	512715	1.64%	158%
5	Zarine M Punnoose	498236	1.47%	498236	1.47%	Nil
6	SML Finance Limited	401133	0.54%	436349	1.39%	8.78%
7	Sunitha A C	434129	1.36%	434129	1.36%	Nil
8	Baby Skaria	307520	0.98%	307520	0.98%	Nil
9	Mohan T V	305796	0.99%	304973	0.98%	Nil
10	Geogy John Ukken	298542	1.21%	298542	1.21%	Nil

BRD SECURITIES LIMITED

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year		Increase/Decrease in Shareholding during the year specifying the date and reasons for increase/decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	C C William Varghese	1412654	4.52%	1587685	5.08%	12.39%
2	Gigy Verghese P	94779	0.30%	94779	0.30%	Nil
3	Surendran T K	109129	0.35%	84121	0.27%	-22.92%
4	Surendran C G	246916	0.79%	246916	0.79%	Nil
5	Antony P D	147811	0.47%	124771	0.40%	-15.58
6	Prasad Punnoose	612952	1.96%	612952	1.96%	Nil
7	Appumon C K	258309	0.83%	258309	0.83%	Nil
8	Mary Williams	156089	0.50%	156089	0.50%	Nil
9	Jojo Joseph Njezhuvinkel	-	-	-	-	
10	Bahuleyan Raman Nalupurakkal	-	-	-	-	
11	Mathew Jose	2950	0.009%	2950	0.009%	Nil

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vi) INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,18,73,37,347	39,73,04,000	-	1,58,46,41,347
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,88,32,904	7,63,42,173	-	11,51,75,077
Total (i+ii+iii)	1,22,61,70,251	47,36,46,173	-	1,69,98,16,424
Change in Indebtedness during the financial year				
Addition	13,69,91,000	13,52,03,000	-	-
Reduction	16,40,02,509	4,20,14,000	-	-
Net Change	2,70,11,509	9,31,89,000	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	1,16,03,25,838	49,04,93,000	-	1,65,08,18,838
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4,12,55,976	6,89,18,708	-	11,01,74,684
Total (i+ii+iii)	1201581814	559411708	-	1,76,09,93,522

vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax 1961	-	-
	(b) Value of perquisites u/s. 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others Specify		
5	Others	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

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vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)

B. Remuneration to Other Directors

Amount in ₹

Name of Directors	Particulars of Remuneration			
	Fee for attending board/committee meetings	Remuneration	Others, please specify- Allowance	Total
(1) Independent Directors	-	-	-	-
Total (1)	-	-	-	-
(2) Other Non-Executive Directors				
Antony P D	-	6,19,000	-	6,19,000
Surendran T K	-	6,07,000	-	6,07,000
Gigy Verghese P	-	6,19,000	-	6,19,000
Total (2)	-	18,45,000		18,45,000
Total (B) = (1) +(2)	-			
Total Managerial Remuneration	18,45,000			
Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	57532	57532
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	57532	57532
	Total				

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viii) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY Penalty Punishment Compounding					
	NONE				
B. DIRECTORS Penalty Punishment Compounding					
	NONE				
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					
	NONE				

For and on behalf of the Board of Directors

Thrissur
09.10.2018

Sd/-
William Varghese Chungath Cheru
Chairman
(DIN:00074708)

Annexure I (a)

S No:	Directors Name	Date of Purchase	Purchase No. of Shares of	Date of Sale	Sale No. Shares
1	C C William Varghese	18-08-2017 09-01-2017 12-11-2017 25-01-2018	249908 232829 6535 2000	16-08-2017 18-08-2017	2554 314000
2	Surendran T K			06-08-2017 08-10-2017 12-11-2017	9000 6000 10008
3	Antony P D			06-08-2017 25-01-2018	21140 1900
4	Mary Williams			06-08-2017	95

BRD SECURITIES LIMITED

Annexure II

Form No. AOC-2

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

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

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

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship	Nil
b.	Nature of contracts/ arrangements/ transactions	Nil
c.	Duration of the contracts / arrangements/ transactions	Nil
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e.	Justification for entering into such contracts or arrangements or transactions	Nil
f.	Date(s) of approval by the Board	Nil
g.	Amount paid as advances, if any:	Nil
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details		
a.	Name(s) of the related party and nature of relationship	Gigy Verghese P (Director)	Antony P D (Director)	Surendran T K (Director)
b.	Nature of contracts/ arrangements/ transactions	Remuneration to directors appointed in office or place of profit		
c.	Duration of the contracts / arrangements/ transactions	Subject to decision of the Board		
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	6,19,000	6,19,000	6,07,000
e.	Date(s) of approval by the Board			
g.	Amount paid as advances, if any:	Nil	Nil	Nil

For and on behalf of the Board of Directors
Sd/-

William Varghese Chungath Cheru
Chairman & Managing Director
(DIN:00074708)

Thrissur
09.10.2018

BRD SECURITIES LIMITED

Additional information required under Secretarial Standards on General Meetings with respect to Directors seeking appointment- *Annexure III*

Name of Director	Vellanikkaran Antony James	Bahuleyan Raman Nalupurakkal	Mathew Jose	Kochumathew Chowalloor Joseph
Category & proposed Designation	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Whole Time Director
Age	63	70	71	70
Date of first appointment on Board	21/07/2018 as Additional Director (Independent Non-Executive Director)	25/01/2018 as Additional Director (Independent Non-Executive Director)	25/01/2018 as Additional Director (Independent Non-Executive Director)	16/05/2018 as Additional Director
Qualifications	PhD, MBA, CAIIB, PGDGC, DCM	B.com (Hons), FCS	B.Sc	B.com
Experience	<ul style="list-style-type: none"> •Banking industry 30 years in managerial roles. •Global HR head in a MNC, Dubai – 3 years. •Visiting Faculty in leading management institute in Kerala 	<ul style="list-style-type: none"> •More than 30 years experience in top management /senior management positions in premier public sector/private sector Companies. •Company Secretary in leading public sector undertaking 	<ul style="list-style-type: none"> •Banking industry 31 years in managerial roles •Banking -Overseas exposures in Hongkong as Chief Executive & Executive Director 	<ul style="list-style-type: none"> •Around 35 years of Experience in accounts/Financial service industry
Shareholding in the Company	9720	Nil	2950	56136
Number of meeting of the Board attended during the Financial period 2017-18/ Board meetings held during his tenure	0/0	3/3	3/3	0/0

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Directorships in other Companies.	<ul style="list-style-type: none"> •B R D Motors Limited •B R D Finance Limited •B R D Car World Limited 	<ul style="list-style-type: none"> •B R D Motors Limited •Ernad Nidhi Limited •B R D Finance limited •Rajputana Investment & Finance Limited 	<ul style="list-style-type: none"> •Jeevodayam Kuries Private Limited •Accelerated Freeze Drying Co Limited •Amalgam Foods Limited •International Creative Foods Limited •Amalgam Acquaculture Applications Limited •Rajputana Investment & Finance Limited •Amalgam Nutrients & Feeds Limited •B R D Finance Limited •B R D Car World Limited 	<ul style="list-style-type: none"> •CKL Nidhi Limited •BRD Finance Limited •BRD Car World Limited •BRD Motors Limited •Rajputana Investment & Finance Limited
Relationship with other Directors / KMP of the Company.	Nil	Nil	Nil	Nil
Terms and Conditions of appointment / reappointment.	<ul style="list-style-type: none"> •Tenure- 5 years •Not liable to retire by rotation •Sitting fee and reimbursement for expenses incurred during the course of duty. 	<ul style="list-style-type: none"> •Tenure- 5 years •Not liable to retire by rotation •Sitting fee and reimbursement for expenses incurred during the course of duty. 	<ul style="list-style-type: none"> •Tenure- 5 years •Not liable to retire by rotation •Sitting fee and reimbursement for expenses incurred during the course of duty. 	<ul style="list-style-type: none"> •Tenure- 5 years •Not liable to retire by rotation •Remuneration Sitting fee and reimbursement for expenses incurred during the course of duty.
Remuneration sought to be paid.	No remuneration as Independent Director. Sitting fee and reimbursement for expenses incurred only during the course of duty.	No remuneration as Independent Director. Sitting fee and reimbursement for expenses incurred only during the course of duty.	No remuneration as Independent Director. Sitting fee and reimbursement for expenses incurred only during the course of duty.	Rs.70,000/- Per month as remuneration
Remuneration during Financial period 2017-18.	N.A	N.A	N.A	N.A

ANNUAL REPORT ON CSR ACTIVITIES

- 1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs:**

The Company has adopted the corporate Social Responsibility Policy outlining the various activities defined in Schedule VII of the Companies act 2013. The policy envisages the formulations of the CSR Committee which will recommend the amount of expenditure to be incurred on the activities referred to in the Policy to the Board and monitor the project/programs from time to time with reporting of the progress on such project/programs to the board. The execution of the projects/programs is either by way of partnering through the implementation agencies or directly by the Company.

The Corporate Social Responsibility Committee was constituted by way of a Board resolution dated October 23rd 2014. The Committee met 3 times during the year to discuss about the implementation of Company's CSR programs.

- 2. The Composition of the CSR Committee:** The Company has a CSR committee of directors comprising of Mr. C C Willaim Varghese, Mr. Mathew Jose, Mr.Chanayil Surendran Gopalan and Mr. Surendran T k
- 3. Average net profit of the Company for last three financial years:-** Rs. 80244030/-
- 4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):-** Rs.16,04,880/-
- 5. Details of CSR spent during the financial year:**
- a. Total amount to be spent for the financial year: Rs. 2,17,050/-
 - b. Amount unspent, if any; Rs. 13,87,830/-
 - c. Manner in which the amount spent during the financial year: Attached.
- 6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for Not spending the amount in its Board report:-**

The Company was not able to find viable projects during the period under review. However, the CSR Committee is working to find viable projects that will well serve the needs of the society.

- 7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy,Is in compliance with CSR objectives and policy of the Company:-**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

5(c) manner in which amount spent during the financial year is detailed below

BRD SECURITIES LIMITED

1	2	3	4	5	6	7	8
Sl No.	CSR Project or activity Identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs	Amount spent on the projects or programs Sub-head: 1. Direct Expenditure On projects Or Programs 2. Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing Agency
1	Contribution to trust	Various sectors covered by Schedule VII of C.A 2013	Kunnamkulam-Thrissur	500000/-	146550/-	146550/-	Through Trust
2	Support for Medical treatment	Health Care	Kunnamkulam-Thrissur	500000/-	62500/-	62500/-	Direct
3	Contribution to pain and paliative care society	Health Care	Kunnamkulam-Thrissur	50000/-	8000/-	8000/-	Through Pain and paliative care
	Total				2,17,050/-	2,17,050/-	

For and on behalf of the Board of Directors

Thrissur
09.10.2018

Sd/
William Varghese Chungath Cheru
Chairman & Managing Director
(DIN:00074708)

INDEPENDENT AUDITORS' REPORT

To
The Members of BRD Securities Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s BRD Securities Limited, Kunnankulam ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so

BRD SECURITIES LIMITED

required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash Flow for the year ended on that date.

Emphasis of matter

We draw attention to the following matters in the notes to the financial statements:

Note 4 of the financial statements indicate the balance of the accumulated Reserves & Surplus of the Company. Company has paid interim dividend on 18th December, 2017 amounting to Rs. 5,62,00,046. Interim dividend along with dividend distribution tax is shown as deduction from the accumulated balance in the surplus account and has not transferred any amount to General reserves. The General reserve balance and profit and loss account as on balance sheet dates stood at Rs. 1, 57, 31,326 and Rs. 27,98,540 respectively.

Our opinion is not modified in respect of these matters

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 paragraphs 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 purpose 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 and the Cash Flow

Statement dealt with by this Report are in agreement with the books of account

- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Aluva,
12.09.2018.

Sd./
Damodaran P Namboodiri ACA
Chartered Accountants
Membership No.221178

BRD SECURITIES LIMITED

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any public deposit from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under where ever applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute. The particulars of dues of income tax as at 31st March, 2018 which have not been deposited on account of dispute, are as follows:
- 8) In our opinion and according to the information and explanations given to us,

BRD SECURITIES LIMITED

Nature of the Statute	Nature of Dues	Amount	Period	Forum where pending
Income Tax	IT matters under dispute	5,21,73,710	01-04-2011 to 31-03-2012	CIT (Appeals)

the Company has not defaulted in the repayment of dues to banks, financial institutions or debenture holders.

- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

Aluva,
12.09.2018

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of BRD Securities Limited

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 BRD Securities Limited

("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal

Damodaran P Namboodiri ACA
Chartered Accountants
Membership No.221178

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. 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 judgement, including the assessment of the risks of material misstatement of the 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 the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

BRD SECURITIES LIMITED

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.

Aluva,
12.09.2018

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, 2018, 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.

Damodaran P Namboodiri ACA
Chartered Accountant
Membership No.221178

BRD SECURITIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	31.03.2018 Rs.	31.03.2017 Rs.
I. EQUITY AND LIABILITIES			
(a) Share Capital	3	312,222,480	312,222,480
(b) Reserves & Surplus	4	289,186,457	331,217,401
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			-
(3) Non-Current Liabilities			
(a) Long term borrowings	5	1,392,351,000	1,483,882,000
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities	6	110,174,681	115,175,077
(d) Long term provisions	7	128,195,520	129,749,387
(4) Current Liabilities			
(a) Short term bank borrowings	8	40,710,837	98,759,347
(b) Other current liabilities	9	302,840,501	115,521,689
(c) Short-term provisions	10	28,672,958	55,103,904
TOTAL		2,604,354,433	2,641,631,285
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	86,790,692	65,525,911
(ii) Intangible assets		510,807	754,811
(iii) Capital work-in-progress		-	19,727,348
(iv) Intangible assets under development			372,695
(b) Non-current investments	12	2,022,800	2,022,800
(c) Deferred tax assets (net)	13	46,141,700	48,365,300
(d) Long term loans and advances-Financing Activity	14	931,571,639	931,233,548
(e) Long term loans and advances	15	9,498,243	8,115,246
(f) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and bank balances	16	66,812,179	83,854,955
(e) Short term loans and advances-Financing Activity	14	1,095,742,882	1,087,946,325
(f) Short-term loans and advances	17	57,060,179	59,165,904
(g) Other current assets	18	308,203,312	334,546,440
TOTAL		2,604,354,433	2,641,631,285

Notes are an integral part of the financial statements

	Sd/- For and on behalf of the Board of Directors	Sd/-
	C.C. WILLIAM VARGHESE	C.K. APPUMON
	Managing Director	Wholetime Director
Sd/-	Sd/-	Sd/-
DAMODARAN P NAMBOODIRI, ACA	KOCHUMATHEW C J	GIGY VERGHESE P.
Chartered Accountant	Wholetime Director	Director
Membership No.221178	Sd/-	Sd/-
Aluva	M F FRANCIS CLEETUS	VICTOR JOHN URUVATH
12.09.2018	Cheif Financial Officer	Kunnamkulam Company Secretary
		12.09.2018

BRD SECURITIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	31.03.2018 Rs.	31.03.2017 Rs.
REVENUE			
Revenue from Operations	19	374,454,663	390,443,731
Other income	20	104,125,623	120,545,355
TOTAL REVENUE		478,580,286	510,989,086
EXPENSES			
Employee benefit expense	21	92,570,938	62,123,330
Finance cost	22	194,796,737	191,468,029
Depreciation and amortization Expenses	23	6,968,762	8,445,380
Other expense	24	140,402,169	198,761,336
TOTAL EXPENSES		434,738,606	460,798,075
Profit before Tax		43,841,680	50,191,011
Tax Expense			
(a) Current tax		16,007,970	44,496,770
(b) Deferred tax		2,223,600	(31,619,600)
		18,231,570	12,877,170
Profit (Loss) for the period		25,610,110	37,313,841
Earnings Per Equity Share Basic and Diluted (Face value of Rs.10 each)		0.82	1.20
Adjusted earnings per share (Face value of Rs.10 each)		0.82	1.20

Notes are an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

Sd/-
DAMODARAN P NAMBOODIRI, ACA
 Chartered Accountant
 Membership No.221178
 Aluva
 12.09.2018

Sd/-
C.C. WILLIAM VARGHESE
 Managing Director
 Sd/-
KOCHUMATHEW C J
 Wholetime Director
 Sd/-
M F FRANCIS CLEETUS
 Cheif Financial Officer

Sd/-
C.K. APPUMON
 Wholetime Director
 Sd/-
GIGY VERGHESE P.
 Director
 Sd/-
VICTOR JOHN URUVATH
 Company Secretary
 Kunnamkulam
 12.09.2018

BRD SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH 2018.

In terms of AS - 3 on Cash Flow Statement under Indirect Method

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
A. Cash Flow from Operating activities		
Net profit Before Taxation	438,41,680	501,91,011
Adjustment for:		
Provision for Depreciation	69,68,762	84,45,380
Interest on Borrowings	1947,96,737	1914,68,029
Provision for standard assets	6,67,882	3,87,120
Provision for NPA	(22,21,749)	670,28,733
Provision for suited filed loans	-	37,59,215
Tax refund receivables written off	-	-
Interest Income	(5,28,329)	(9,41,709)
Bad debts 2/pff	319,62,83	50,11,670
Loss on sale of repossessed vehicles	-	-
Profit on sale of Fixed Assets	(5,48,494)	(45,89,626)
	<u>2310,97,642</u>	<u>2705,68,812</u>
	2749,39,323	3207,59,824
Operating profit before working capital changes		
(Increase)/Decrease in Loans & Advances	(400,97,481)	(228,30,299)
(Increase)/Decrease in Deposits	297,48,460	37,82,921
(Increase)/Decrease in Sundry Creditors & Other liabilities	(894,29,239)	383,46,605
	<u>-997,78,261</u>	<u>192,99,228</u>
	1751,61,062	3400,59,051
Cash from Operations		
Income Tax Paid	(471,79,373)	(52,18,425)
Net Cash from operating activities	<u>1279,81,689</u>	<u>2872,40,626</u>
B. Cash flow from Investing Activities		
Purchase of Fixed assets	(280,55,046)	(325,32,681)
Capital Work-in-Progress	201,00,043	181,92,793
Sale of Fixed assets	6,14,000	248,06,000
Interest Income	5,28,329	9,41,709
Net cash from Investing activities	<u>-68,12,674</u>	<u>114,07,821</u>

BRD SECURITIES LIMITED

C. Cash flow from Financing activities

Share Capital increase			
Share Premium increase			
Proceeds from Long term Borrowings	1242,26,000		-
Repayment of Long term Borrowings			(820,76,000)
Interest on borrowings	(1947,96,737)		(1914,68,029)
Interim Dividend	(562,00,046)		(562,00,046)
Tax on Distributed Profit	(114,41,008)		(114,41,008)
Net Cash flow from Financing Activities		(1382,11,792)	(3411,85,083)
Net Increase/Decrease in Cash & Cash Equivalents		(170,42,777)	-425,36,637
Cash & Cash Equivalents at the beginning of the year		838,54,955	1263,91,592
Cash & Cash Equivalents at the end of the year		668,12,178	838,54,955

In terms of our report attached

For and on behalf of the Board of Directors

Sd/-
DAMODARAN P NAMBOODIRI, ACA
Chartered Accountant
Membership No.221178

Aluva
12.09.2018

Sd/-
C.C. WILLIAM VARGHESE
Managing Director

Sd/-
KOCHUMATHEW C J
Wholetime Director

Sd/-
M F FRANCIS CLEETUS
Cheif Financial Officer

Sd/-
C.K. APPUMON
Wholetime Director

Sd/-
GIGY VERGHESE P.
Director

Sd/-
VICTOR JOHN URUVATH
Company Secretary

Kunnamkulam
12.09.2018

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1) Company Overview

The Company is a non systemically important Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India (RBI) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending and related activities. The Company has received the certificate of registration A.16.00040 on 28th November, 1998, which was converted to. B.16.00040 Dated 29.05.2017, enabling the Company to carry on business as Non-Banking Financial Company.

The Company offers broad suite of lending and other financial products such as mortgage loan, gold loan, loan against securities.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Prudential norms: The Company Complies all the material aspect, with the prudential norms relating to the income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the direction issued by the Reserve Bank of India in terms of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions, 2007) ,as applicable to the company.

2.2. Uses of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3. Revenue recognition

General: Revenue is recognised as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measureable.

Income from loans:

Interest income from loan transactions is accounted for by applying the interest rate implicit in such contracts.

Service charges, documentation charges and other fees on loan transactions are recognised

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

at the commencement of the contract.

Delayed payment charges, fee based income and interest on trade advances are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income on business assets classified as Non-performing Assets, is recognized strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies.

Dividend income: Dividend income is recognized when the Company's right to receive dividend is established by the reporting date. Dividend income is recognised when the right to receive payment is established.

Income from investments: Profit earned from sale of securities recognised on trade date basis .The cost of securities is computed on weighted average basis

Other Income: In respect of the other heads of income, the Company accounts the same on accrual basis.

2.4. Property, Plant & Equipments

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

2.5. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

2.6. Depreciation and Amortisation

Depreciation on tangible fixed assets is provided using the Written down value Method based on the useful life of the asset and is charged to the Statement of Profit and Loss in the manner prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised on a Straight Line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortised over a period of five years, being its estimated useful life.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

2.7. Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

2.8. Investments

Investments are classified into current and non-current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as Current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Investment in subsidiary company is stated at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.9. Repossessed Asset.

Asset repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount and receivables excluding interest. The classification and provisioning is based on the underlying days past due (DPD) of these loans

2.10. Employee Benefits

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)

i .Gratuity

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The Company provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by a trust formed for this purpose through the Company gratuity scheme.

The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effects of any plan amendments are recognised in the statement of profit and loss.

ii. Provident Fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund.

The Company has no further obligation to the plan beyond its monthly contributions.

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)

Other long term employee benefits: Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encased subject to a restriction on the maximum number of accumulation of leave.

2.11. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

2.12. Income taxes

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.13. Cash and Cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

2.14. Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit 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.

2.15. Provisions and Contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions .These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statement

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTE 3 SHARE CAPITAL	31.03.2018	31.03.2017
	Rs.	Rs.
Share Capital		
Authorized :		
3,50,00,000 (31 Mar 2017 : 3,50,00,000) Equity shares of ₹ 10/- each	350,000,000	350,000,000
Issued, Subscribed and Paid-up		
3,12,22,248 (31 Mar 2017 : 3,12,22,248) Equity shares of ₹10/- each	312,222,480	312,222,480
Total	312,222,480	312,222,480

ii. 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 shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii. Reconciliation of the shares at the beginning and at the end of the reporting period:

Equity Shares	31.03.2018		31.03.2017	
	Number	Value	Number	Value
No. of shares at the beginning of the year	31,222,248	312,222,480	31,222,248	312,222,480
Add: Issued During the year	-	-	-	-
Add: Bonus Issue During the year	-	-	-	-
Outstanding at the end of the year	31,222,248	312,222,480	31,222,248	312,222,480

iv. List of shareholders holding more than 5% of Share Capital

Name of Shareholder	31.03.2018		31.03.2017	
	No. of shares held	% of Share holding	No. of shares held	% of Share holding
	Nil		Nil	

NOTE 4 RESERVES AND SURPLUS	31.03.2018	31.03.2017
	Rs.	Rs.
Statutory Reserve - u/s 45IC of the RBI Act.		
Amount as per Last Balance Sheet	80,083,993	72,621,225
(+) Additions/ transfers during the Year	5,122,022	7,462,768
Closing Balance	85,206,015	80,083,993
Share Premium Account:		
As Per last balance sheet	185,812,050	185,812,050
(+) Additions during the year	185,812,050	185,812,050
General Reserve		
Amount as per Last Balance Sheet	2,798,540	-
(+) Additions/ transfers during the Year	-	2,798,540
Closing Balance	2,798,540	2,798,540

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
Surplus		
Balance as per last financial statements	62,522,818	103,111,339
(+) Net profit/(net loss) for the current year	25,610,110	37,313,841
(-) Transfer to Statutory Reserve - u/s 451C of the RBI Act.	5,122,022	7,462,768
(-) Transfer to General Reserve	-	2,798,540
(-) Interim Dividend on Equity Shares	56,200,046	56,200,046
(-) Dividend Distribution Tax	11,441,008	11,441,008
Balance as at the end of the year	15,369,852	62,522,818
TOTAL	289,186,457	331,217,401
NOTE 5 LONG TERM BORROWINGS:		
Secured		
Non Convertible Debentures	1,119,615,000	1,088,578,000
Unsecures		
Bond- Non Current	272,736,000	395,304,000
	1,392,351,000	1,483,882,000

Nature of Security

Privately Placed Non-Convertible Debentures are secured by pari passu charge on the specific immovable property, specified receivables arising out of loan, lease, hire purchase transactions and to the extent of shortfall in asset cover by a pari passu charge on the current assets of the Company.

Non Convertible Debentures are secured by way of first charge on the hire purchase/hypothecation assets along with all the receivables of the Company, except Kottakkal, Parempadam, Kannur, Muringoor and Tirur branches of the Company, claims which are now due and owing to the Company in the course of business or which at any time hereinafter become due.

Series Name	Date of allotment	Date of maturity	No of units	Amount
Debenture series AM	31.03.2011	30.03.2021	33767	33,767,000
Debenture series AN	01.06.2011	31.05.2021	42517	42,517,000
Debenture series AO	01.08.2011	31.07.2021	70196	70,196,000
Debenture series AT	01.07.2012	30.06.2022	135011	135,011,000
Debenture series AU	01.10.2012	30.09.2022	182337	182,337,000
Debenture series AV	01.01.2013	31.12.2022	192614	192,614,000
Debenture series AW	31.03.2013	30.03.2023	213071	213,071,000
Debenture series AX	25.06.2013	24.06.2023	98061	98,061,000
Debenture series AY	01.08.2014	31.07.2024	4800	4,800,000
Debenture series AZ	01.08.2014	31.07.2024	10250	10,250,000
Debenture series BA	28.10.2017	27.10.2027	20000	20,000,000
Debenture series BB	10.11.2017	09.11.2027	17030	17,030,000
Debenture series BC	10.11.2017	09.11.2027	27950	27,950,000
Debenture series BD	10.11.2017	09.11.2027	5000	5,000,000
Debenture series BE	10.11.2017	09.11.2027	5000	5,000,000
Debenture series BF	08.01.2018	07.01.2028	22975	22,975,000
Debenture series BG	26.02.2018	26.02.2028	29150	29,150,000
Debenture series BH	26.03.2018	26.03.2028	9886	9,886,000
Total			1119615	1,119,615,000

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

From the Balance Sheet date	Rate range	(a) Non-current	(b) Current maturity	Total
Repayable on maturity : Maturing beyond 5 years	11% - 14.5%	250,102,000	-	250,102,000
Maturing between 3 years to 5 years	11% - 12.5%	835,746,000	-	835,746,000
Maturing between 1 year to 3 years	11% - 11.5%	33,767,000	-	33,767,000
Maturing within 1 year			-	-
Total at face value		1,119,615,000	-	1,119,615,000
Less: Unamortised discounting charges				
Total redemption value, net of unamortized discounting charges		1,119,615,000	-	1,119,615,000

Subordinated debts

Particulars	Date of allotment	Date of maturity	No of units	Amount
Subordinated debts 1	2008-09	2013-14	5	5,000
Subordinated debts 2	2009-10	2014-15	295	295,000
Subordinated debts 3	2010-11	2015-16	0	-
Subordinated debts 4	2011-12	2016-17	1950	1,950,000
Subordinated debts 5	2012-13	2017-18	625	625,000
Subordinated debts 6	2013-14	2018-19	213482	213,482,000
Subordinated debts 7	2014-15	2019-20	132173	132,173,000
Subordinated debts 8	2015-16	2020-21	5360	5,360,000
Subordinated debts 9	2016-17	2021-22	0	-
Subordinated debts 10	2017-18	2022-23	135203	135,203,000
Total			489093	489,093,000

From the Balance Sheet date	(a) Non-current	(b) Current maturity	Total
Repayable on maturity : Maturing beyond 5 years		-	-
Maturing between 3 years to 5 years	135,203,000	-	135,203,000
Maturing between 1 year to 3 years	137,533,000	-	137,533,000
Maturing within 1 year	-	216,357,000	216,357,000
Total Value	272,736,000	216,357,000	489,093,000

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 6 OTHER LONG TERM LIABILITIES		
(i) Other than Acceptances		
Interest accrued but not due on borrowings	110,174,681	115,175,077
TOTAL	110,174,681	115,175,077

(i) Interest accrued but not due on borrowings includes Interest on Non convertible Debenture, Subordinate Debts , Bonds etc

	31.03.2018	31.03.2017
NOTE 7 LONG TERM PROVISIONS		
Contingent Provision against Standard Assets	6,358,815	5,690,933
Contingent Provision for NPA on Gold Loan & Personal Loan	50,964,603	7,382,972
Contingent Provision for NPA on Hire Purchase	70,872,102	116,675,482
TOTAL	128,195,520	129,749,387

The Company has made adequate provision for the Non-performing assets identified, in accordance with the guidelines issued by The Reserve Bank of India.

The Company, during the year ended 31 March 2017, had started considering the estimated realisable value of underlying security (which conforms to the RBI norms) for loan assets to determine 100% provisioning for assets which were 24 months overdue which had resulted in lower provision of Rs.124058454 Lakhs for the year ended 31 March 2017 with a consequent impact on the profit before tax. However, during the current year, the Company has reviewed the basis of estimating provision for non-performing assets and made additional provision of Rs.2221749 Lakhs against the above mentioned 100% provision cases

In accordance with the Master direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 issued by The Reserve Bank of India (RBI) vide its directions to all NBFC's, the Company has made Standard assets of provision of Rs. 6358815 (31 March 2017: Rs.5690933 Lakhs) during the current year

	31.03.2018	31.03.2017
NOTE 8 SHORT TERM BORROWINGS		
Loans repayable on demand		
From Banks		
Cash credit (secured) [refer note (i) below		
South Indian Bank Ltd., Main Branch, Thrissur	28,240,378	23,344,696
Dhanalaxmi Bank, Kunnamkulam	12,470,460	75,414,651
TOTAL	40,710,838	98,759,347

Nature of Security

(a) Loans repayable on demand from Banks

Particulars	Primary	Collateral	Gurantors
Dhanalaxmi Bank	Exclusive Charge on receivables of Kannur,Tirur and Parempadam at 25% margin	EM of Landed properties	Personal : C.C. William Verghese Corporate : BRD Finance Ltd.
South Indian Bank	Exclusive first charge buy way of hypothecation of specific receivables at Kottakkal & Muringoor Branch of the Company covered under hire purchase/vehicle loan agreement which are not overdue as per RBI guidlines with 25% Margin	EM of Landed properties	C C William Verghese C K Appumon Mary William Best Fabricators (Corporate Guarantee)

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 9 OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt		
(i) Non Convertible Debentures, Deposits and Bonds	217,757,000	2,000,000
(b) Other payables		
(i) HP Outstanding liabilities	15,420,209	20,551,608
(ii) Statutory remittances (Refer note(i) below)	6,304,409	3,167,809
(iii) Salaries and Wages Payable	139,242	102,464
(iv) Expenses Payable	5,367,293	7,004,274
(v) Interest Accrued on Others	441,115	569,244
(vi) Other Advances	8,182,908	27,297,085
(vii) Chitty Liability	49,228,325	54,829,205
TOTAL	302,840,501	115,521,689

(i) Statutory dues includes provident fund, employees state insurance, professional tax, withholding taxes and indirect tax payable

	31.03.2018 Rs.	31.03.2017 Rs.
NOTE 10 SHORT TERM PROVISIONS		
(a) Provision for employee benefits:		
(i) Provision for gratuity	3,831,658	1,773,803
(b) Provision - Others:		
(i) Provision for Income Tax (Refer note(i) below)	16,007,970	44,496,770
(ii) Contingent Provision for Suit Filed Loans	8,833,331	8,833,331
TOTAL	28,672,958	55,103,904

NOTE 11. FIXED ASSETS

Rs.

Description	GROSS BLOCK						DEPRECIATION			NET BLOCK	
	1.4.2017	Additions	Deletions	31.3.2018	1.4.2017	Additions	Deletion	31.3.2018	31.3.2017	31.3.2018	
	Land	46,658,477	14,941,010		61,599,487	-			-	46,658,477	61,599,487
Building	2,982,868	6,761,318		9,744,186	455,354	370,357		825,711	2,527,514	8,918,475	
Furniture & Fittings	25,013,205	3,013,848		28,027,053	14,606,807	3,262,596		17,869,403	10,406,398	10,157,650	
Tools & Equipments	336,452	100,428		436,881	319,630	22,495		342,125	16,822	94,756	
Electrical fittings	5,230,165	1,299,703		6,529,868	3,104,481	832,990		3,937,471	2,125,684	2,592,397	
Computer and Accessories	13,224,364	701,072		13,925,436	11,589,760	992,465		12,582,225	1,634,604	1,343,212	
Inverter	515,092			515,092	462,470			462,470	52,622	52,622	
Office Equipments	6,643,937	1,237,666	15,000	7,866,603	5,298,103	1,022,617	8,104	6,312,616	1,345,834	1,553,987	
Air Conditioner	421,390	-		421,390	343,240	34,182		377,422	78,150	43,968	
Motor Vehicle	1,043,812	-		1,043,812	631,910	105,067		736,977	411,902	306,835	
Motor Vehicle (Bolero)	1,715,738	-		1,715,738	1,533,045	59,083		1,592,128	182,693	123,610	
Motor Vehicle (Innova)	1,037,428	-	1,037,428	-	956,278	22,541	978,818	0	81,150	-0	
Photostat Machine	69,000	-		69,000	64,940	365		65,305	4,060	3,695	
Total	104,891,928	28,055,046	1,052,428	131,894,546	39,366,018	6,724,758	986,922	45,103,853	65,525,910	86,790,692	
Intangible Assets											
Computer Software	5,535,567			5,535,567	4,780,756	244,004		5,024,760	754,811	510,807	
Total	110,427,495	28,055,046	1,052,428	137,430,113	44,146,774	6,968,762	986,922	50,128,613	66,280,721	87,301,499	

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 12 NON-CURRENT INVESTMENTS		
Non-trade investments (valued at cost unless stated otherwise):		
Investment in equity instruments (unQuoted)		
(i) of other entities		
In Government Securities-Quoted and Fully paid up		
20000 units of 7.50% GOI Stock (Face value 2000000)	2,022,800	2,022,800
TOTAL	2,022,800	2,022,800
NOTE 13 DEFERRED TAX (LIABILITY)/ ASSET :		
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation		
and depreciation / amortisation charged for the financial reporting	1,775,800	3,461,600
Others	44,365,900	44,903,700
Net Deffered Tax (Liability) / Asset	46,141,700	48,365,300
NOTE 14 LOANS AND ADVANCES- FINANCING ACTIVITIES		
Non-Current		
Secured, considered good		
Stock on Hire	879,897,140	931,233,548
Current		
Secured, considered good		
Stock on Hire	404,387,909	983,233,200
Non- Current		
Unsecured, Considered goods		
Demand Loan	51,674,499	104,713,125
Current		
Unsecured, Considered goods		
Demand Loan	1,734,866	-
Business Loan	689,620,106	-
TOTAL	2,027,314,520	2,019,179,873

* The Long-term loans and advances includes Non-performing Assets Rs.437610715,(386241112-HP;51369603-PRL)

Demand loan and Business Loans disbused to each customers againt promissary notes

NOTE 15 LONG TERM LOANS AND ADVANCES		
(a) Loans and advances to related parties	-	-
(b) Security Deposits	9,498,243	8,115,246
Unsecured, Considered Goods		
TOTAL	9,498,243	8,115,246

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 16 CASH AND BANK BALANCES :		
Cash and Cash Equivalents		
(a) Cash in hand	14,796,643	6,758,885
(b) Balance with banks		
(i) In Current Accounts	52,015,536	77,096,071
TOTAL	66,812,179	83,854,955
NOTE 17 SHORT TERM LOANS AND ADVANCES :		
(a) Loans and advances to related Parties		
Unsecured, considered good		
(b) Balances with government authorities		
Unsecured, considered good		
(i) Income Tax Receivable		
Advance tax / Regular Assessment Receivable	53,986,855	51,304,252
(c) Others (Unsecured, considered good)		
Vehicle Booking Advances	3,073,324	7,861,652
TOTAL	57,060,179	59,165,904
Advances recoverable in cash or in kind or for value to be received		
NOTE 18 OTHER CURRENT ASSETS :		
(a) Accruals		
Interest accrued on deposits/Securities	126,889	203,192
(b) Others		
Stock of Stationery	32,102	4,641
Repossed Vehicles	26,362,472	61,873,627
Other Income Receivable	1,180	314,193
Interest Receivable	19,551,467	47,884,172
HP and other Receivables	262,129,202	224,266,616
TOTAL	308,203,312	334,546,440

HP and Other Receivables includes suit filed accounts amounting to Rs.170055536 Lakhs. The company has made made contingent provision provision of Rs. 88.33 Lakhs against the mentioned Suit filed cases.

BRD SECURITIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Yearwise Details of Reposed Vehicles

Financial Year	Arbitration Case	Civil Case	Arbitration and Cheque Case	Cheque Case	Civil and Cheque Case	Total
2010-11		24,000				24,000
2011-12	20,000					20,000
2012-13				11,000	10,000	21,000
2013-14		113,068	20250	77,000	15,750	226,068
2014-15		589,325		183,456	35,000	807,781
2015-16	3,444,351	1,395,733	115000	990,816	747,891	6,693,791
2016-17	4,257,751	3,538,438	639126	1,507,368	2,040,011	11,982,694
2017-18	489,503					489,503
Other Cases and Agreed for Settlements						6,097,635
						26,362,472

Yearwise and Class wise Suit Filed Cases pending before Courts

Financial Year	Arbitration Case	Civil Case	Arbitration and Cheque Case	Cheque Case	Civil and Cheque Case	Total
2009-10		256,925		40,790	19,604	317,319
2010-11		252,328			15,715	268,043
2011-12	119,260	1,544,748		240,096	-	1,904,104
2012-13	928,823	2,515,953	245,159	617,429	23,686	4,331,050
2013-14	3,803,643	17,653,206	176,300	2,704,708	2,898,732	27,236,589
2014-15	10,409,535	23,648,542	659,027	4,549,412	3,800,051	43,066,567
2015-16	24,406,041	21,854,649	3,660,214	9,643,742	5,484,527	65,049,173
2016-17	517,219	462,386	60,541		597,299	1,637,445
Newly Filed Cases and Agreed for Settlements						26,245,193
Total						170,055,483

NOTE 19 REVENUE FROM OPERATIONS :	31.03.2018	31.03.2017
Finance Charges	291,652,350	374,130,757
Pronote Loan interest	-9,129,609	16,312,974
Business Loan Interest	79,671,872	-
MF Processing fee/Documentation	12,260,050	-
TOTAL	374,454,663	390,443,731

NOTE 20 OTHER INCOME :		
(a) Interest Income		
Interest on Govt. Securities and Bonds	150,000	150,000
Interest received from IC Deposits	1,518,546	-
Interest received from Deposits	378,329	791,293

BRD SECURITIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
Interest on HP overdue	40,701,392	54,433,460
Interest on Others	225,671	216,815
(b) Other non-operating income (net of expenses directly attributable to such income)		
Rental income from investment properties	925,400	12,000
Profit on Sale of Fixed Assets	548,494	4,589,626
Bad trade and other receivables recovered	5,658,851	4,269,150
HP Other Income	52,805,644	54,314,158
Insurance Commission	895,296	1,498,308
Other Miscellaneous Income	318,000	270,130
TOTAL	104,125,623	120,544,939

NOTE 21 EMPLOYEE BENEFIT EXPENSES

Salaries & Wages	80,630,520	55,684,444
Contributions to provident and other funds	11,940,418	6,438,886
TOTAL	92,570,938	62,123,330

Details of Employee Benefits : Disclosures required under Accounting Standard 15 - Employee Benefits (Revised 2005)

a. Defined Contribution Plans :

During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined contribution plan

Employers Contribution to Provident Fund	5,664,378	2,530,949
Employers Contribution to Employee's State Insurance	2,345,961	853,069

b. Defined benefit Plans- Gratuity

i. Components of employer expense

Current service cost	1,742,780	1,038,700
Interest cost	391,096	246,288
Expected return on plan assets	(226,149)	(213,489)
Actuarial losses/(gains)	370,338	795,438
Total expense recognised in the Statement of Profit and Loss	2,278,065	1,866,937

ii. Actual contribution and benefit payments for year

Actual benefit payments	497,893	270,327
Actual contributions	220,210	1,221,629

iii. Net asset / (liability) recognised in the Balance Sheet

Present value of defined benefit obligation	(6,895,029)	(4,888,708)
Fair value of plan assets	3,063,371	3,114,905
Funded status [Surplus / (Deficit)]	(3,831,658)	(1,773,803)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	(3,831,658)	(1,773,803)

iv. Change in defined benefit obligations (DBO) during the year

Present value of DBO at beginning of the year	4,888,708	3,078,609
Current service cost	1,742,780	1,038,700
Interest cost	391,096	246,288

BRD SECURITIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
Actuarial (gains) / losses	370,338	795,438
Benefits paid	(497,893)	(270,327)
Present value of DBO at the end of the year	6,895,029	4,888,708
v. Change in fair value of assets during the year		
Plan assets at beginning of the year	3,114,905	1,950,113
Acquisition adjustment		
Expected return on plan assets	226,149	213,489
Actual company contributions	220,210	1,221,629
Benefits paid	(497,893)	(270,327)
Plan assets at the end of the year	3,063,371	3,114,905
vi. Composition of the plan assets is as follows:		
Government bonds	-	-
PSU bonds	-	-
Equity mutual funds	-	-
Insurer Managed Funds	3,063,371	3,114,905
vii. Actuarial assumptions		
Discount rate	8%	8%
Rate of return on plan assets	9%	9%
Salary escalation	7%	7%

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

The estimates of future Salary increases, considered in the actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors , such as supply and demand in the employment market.

NOTE 22 FINANCE COST	31.03.2018	31.03.2017
(a) Interest expense on :		
(i) Borrowings		
Interest on Deposits	178,471	175,519
Interest on Debentures	125,097,477	116,455,378
Interest on Subordinate Debt	57,804,952	62,881,845
Interest on Inter corporate Deposit	687,560	1,169,219
Interest Over Draft	9,422,726	8,876,974
(ii) Others		
Interest on income tax	1,605,551	1,909,094
TOTAL	194,796,737	191,468,029

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 23 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation	6,724,758	7,456,526
Amortisation	244,004	988,855
TOTAL	6,968,762	8,445,381
NOTE 24 OTHER EXPENSES :		
Advertisement	113,954	637,775
Audit fee	285,000	283,200
Accruedd Loss on Chitty	5,026,620	4,826,040
Bank charges	1,979,574	1,773,219
Corporate Social Responsibility Expense	217,050	1,624,000
Commission	26,929,040	40,328,995
Electricity charges	1,467,062	1,390,164
Filing fee	12,000	18,700
Incentives paid	11,124,571	12,099,010
Insurance	156,779	181,836
Legal charges	1,055,780	905,777
News paper & Periodicals	27,581	23,899
Printing & Stationery	2,096,860	2,132,033
Professional charges	3,495,985	3,572,887
Postage & Telegram	321,599	320,739
Rates & Taxes	3,628,799	237,372
Repairs & maintenance	2,200,148	1,805,732
Rent	12,156,230	10,943,595
Sitting fee	900	14,400
Swachh Bharath Cess Payable	22,252	72,363
Travelling expenses	3,002,339	2,185,656
Telephone charges	3,369,828	3,170,179
Collection Retainer Expense	-	13,150,233
Sales Retainer Expense	20,783,684	6,499,735
Business Promotion	1,812,637	7,350,880
Bad debts written off	31,962,833	5,011,670
Provision for NPA - HP	-45,803,380	74,233,434
Provision for NPA-Demand Loan	43,581,631	-7,204,701
Provision for Standard Assets	667,882	387,120
Provision for Suit Filed Loans	-	3,759,215
Miscellaneous expenses	8,706,932	7,026,181
TOTAL	140,402,169	198,761,338
24.1 Payment to the auditors comprises :		
As auditors - statutory audit	180,000	177,000
For taxation matters	60,000	59,000
For other services	45,000	47,200
TOTAL	285,000	283,200

BRD SECURITIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

	31.03.2018 Rs	31.03.2017 Rs
NOTE 25 EARNINGS PER SHARE (BASIC & DILUTED) :		
Profit after tax	25,610,110	37,313,841
Weighted average number of shares	31222248	31222248
Nominal value of shares (`)	10	10
Basic and diluted earnings per share (`)	0.82	1.20
Adjusted earnings per share (Face value of `10 each)	0.82	1.20

NOTE 26 RELATED PARTY TRANSACTIONS

Details of Related Parties:

Description of Relationship	Names of Related Parties
Associates	BRD Finance Limited BRD Car World Limited BRD Motors Limited BRD Chits Limited BRD Developers & Builders Limited BRD Kuries (India) Limited
Key Management Personnel	C. C. William Verghese (Mg. Director) C.K.Appumon (Wholtime Director) Kochumathew C J (Wholtime Director) M F Francis Cleetus (CFO)
Relatives of KMP Entities in which KMP / Relatives of KMP can exercise significant influence	

Details of Related Party Transactions :

Nature of Transaction		KMP	Relative of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Debentures transfer/Bonds Issued					
During The Year	CY	3,100,000	17,400,000	-	20,500,000
	PY	116,951,000	224,507,000	-	341,458,000
Interest Paid	CY	1,708,901	4,037,684	779,621	6,526,206
	PY	3,110,854	3,476,431	2,854,303	9,441,588
Interest Received	CY	-	-	1,610,607	1,610,607
	PY			1,685,084	1,685,084
Inter Corporate Deposits Accepted	CY			137,041,464	137,041,464
	PY			226,700,000	226,700,000
Inter Corporate Deposits Repaid	CY			137,041,464	137,041,464
	PY			252,750,000	252,750,000
Remuneration Paid	CY			1,845,532	1,845,532
	PY			1,788,000	1,788,000
Rent Received	CY			12,000	12,000
	PY			12,000	12,000

Note: Figures in italics relates to the previous year

27 Previous year figures have been regrouped or rearranged wherever necessary.



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