



# TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED

**Regd. Office :** G-3, Old No.28A, New No.67, Eldams Road, Alwarpet, Chennai - 600018.  
**Website :** www.tcms.bz, E-mail : investors@tcms.bz, Tel. : 044-24330006, Fax : 044-24328252  
**CIN :** L74210TN1986PLCO12791

18<sup>th</sup> June 2019

|   |   |
|---|---|
| The Listing Department<br><b>Bombay Stock Exchange Limited</b><br>PhirozeJeejeebhoy Towers<br><b><u>Dalal Street, Mumbai-400 001</u></b><br><b>Scrip Code: 526921</b> | <b>National Stock Exchange of India Limited</b><br>Listing Division<br>Exchange Plaza, Bandra-Kurla Complex<br><b><u>Bandra – East, MUMBAI - 400 051</u></b><br><b>Scrip Symbol: 21STCENMGM</b> |
|---|---|

Dear Sir / Madam

## **Re: Notice for 33<sup>rd</sup> Annual General Meeting - FY 2018-19 and Book Closure**

This is to inform you that Board of Directors of our company in their meeting held on 18<sup>th</sup> June 2019 have approved the Integrated Annual Report of the company with the Notice of 33<sup>rd</sup> Annual General Meeting of the Company (Copy enclosed) to be held on 15<sup>th</sup> July 2019 at Chennai to transact the businesses as stated in the Notice dated 18<sup>th</sup> June 2019.

Pursuant to Regulation 42 of the SEBI (LODR) Regulations, 2015, notice is hereby given that the Register of Members and Share Transfer books of the company will remain closed **from Saturday the 6<sup>th</sup> July 2019 to Monday the 15<sup>th</sup> July 2019 (both days inclusive)** for the purpose of Annual General Meeting to be held on 15<sup>th</sup> July 2019.

The Company has appointed Mrs. Lakshmmi Subramanian (FCS 3534 & CP 1087) of M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

Please find enclosed the Annual Report of FY 2018-19 containing Notice of 33<sup>rd</sup> Annual General Meeting for your records. Kindly take the same on records. Further, the Annual Report of the Company along with the Notice of the Meeting will also be available on website of the Company: www.tcms.bz.



**Corporate Office :** Grease House, Zakaria Bunder Road, Sewri West, Mumbai - 400 015.  
Tel. : 022-24156538 / 24156539, Fax : 022-24115260



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Other relevant dates as regards to AGM are as under:

| Particulars   | Relevant Date(s)  |
|---|---|
| Cut-off date for ascertaining names of shareholders to whom Notice of 33 <sup>rd</sup> AGM and Annual Report 2018-19 will be sent   | 14 <sup>th</sup> June 2019  |
| Cut-off date for ascertaining names of shareholders, who will be entitled to participate in the AGM through remote e- voting / voting at the venue of the AGM and for payment of dividend | 8 <sup>th</sup> July 2019   |
| Date of remote e-voting   | From 12 <sup>th</sup> July 2019 (9.00 a.m)<br>To 14 <sup>th</sup> July 2019 (5.00p.m) |

We request you to kindly take the same on record. Thanking You,

Yours truly

For Twentyfirst Century Management Services Limited

(A.V.M.Sundaram)

Company Secretary and Compliance Officer

Encl: As above



Copy to:

1. National Securities Depository Limited 2. Central Depository Services (India) Limited

Trade World, 4th Floor, Kamala Mills Compound P.J.Towers, Dalal Street,  
Senapati Bapat Marg, Lower Parel, Mumbai - 400 001

3. Link Intime India Pvt. Limited

C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W), Mumbai-400 078

Corporate Office : Grease House, Zakaria Bunder Road, Sewri West, Mumbai - 400 015.

Tel. : 022-24156538 / 24156539, Fax : 022-24115260

**TWENTYFIRST CENTURY  
MANAGEMENT SERVICES LTD**



**33rd ANNUAL REPORT  
2018-2019**



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Annual General Meeting will be held on Monday, 15th July 2019 at 4.00 p.m. at ASHA NIVAS, No.9, Rutland Gate 5th Street, Chennai 600 006. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.



## THIRTY THIRD (33) ANNUAL REPORT - FY2018 - 2019

### CORPORATE INFORMATION

#### Board of Directors

- Mr. Sundar Iyer - Chairman & CEO
- Mr. Krishnan Muthukumar - Non-Executive Director
- Mr. Iyer Vishwanath - Independent Director
- Mr. S.Hariharan - Independent Director (Term expired on 31st March 2019)
- Ms. Dipti D. Sakpal - Independent Director

**Company Secretary** - Mr.A.V.M.Sundaram

**Chief Financial Officer** - Mr.Bhaskar Shetty

#### Board Committees:

##### Audit Committee

- Mr. Iyer Vishwanath - Chairman of the committee - Independent Director
- Mr. S.Hariharan - Member of the Committee (Term Expired on 31st March 2019)
- Mr. Sundar Iyer - Member of the Committee - Independent Director
- Ms. Dipti D.Sakpal - Member of the Committee - Executive Director  
(Inducted in the committee on 16th April 2019)

##### Stakeholders Relationship Committee

- Mr. S.Hariharan - Chairman of the committee - Independent Director  
(Term expired on 31st March 2019)
- Mr. Iyer Vishwanath - Chairman of the committee - Independent Director  
(Inducted in the committee on 16th April 2019)
- Ms. Dipti D.Sakpal - Member of the Committee - Independent Director
- Mr. Krishnan Muthukumar - Member of the Committee - Non- Executive Director

##### Nomination and Remuneration Committee

- Mr. Iyer Vishwanath - Chairman of the committee - Independent Director
- Mr. S.Hariharan - Member of the Committee - Independent Director  
(Term expired on 31st March 2019)
- Mr. Krishnan Muthukumar - Member of the Committee - Non- Executive Director
- Ms.Dipti D.Sakpal - Member of the Committee - Independent Director  
(Inducted in the committee on 16th April 2019)

##### Corporate Social Responsibility Committee

- Mr. Sundar Iyer - Chairman of the committee - Executive Director
- Mr. Iyer Vishwanath - Member of the Committee - Independent Director -
- Mr. S.Hariharan - Member of the Committee (Term expired on 31st March 2019)
- Ms.Dipti D.Sakpal - Member of the Committee - Independent Director  
(Inducted in the Committee on 16th April 2019)





**Statutory Auditors**

M/s Lakhani & Lakhani  
Chartered Accountants  
B-2, 3rd Floor, Ashar IT Park, Road No.162, Wagle Estate,  
Ambika Nagar, Thane West 400604  
Email ID: info@lakhanica.com

**Secretarial Auditors**

M/s Lakshmmi Subramanian & Associates  
Company Secretaries  
Murugesu Naicker Complex,  
No.81, Greams Road, Chennai-600006

**Internal Auditors**

M/s. Om Prakash S.Chaplot & Co  
Chartered Accountants  
101, Vatsalya Bldg., Vatsalya Co-op Society,  
ANDHERI WEST,MUMBAI - 400053

**Principal Bankers**

ICICI BANK LIMITED  
HDFC BANK LIMITED  
STATE BANK OF TRAVANCORE

**Registrars & Share Transfer Agents**

Link Intime India Pvt Ltd  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400 083  
Tel No: +91 22 49186000 Fax: +91 22 49186060

**Stock Exchanges Where Company's Securities are listed**

BSE Limited  
National Stock Exchange of India Limited

**Registered Office**

No.67, Old No.28-A, Door No.G-3, Eldams Road,  
Alwarpet, Chennai 600 018  
Tel:+9144 24330006, Fax: +91 44 24328252

**Corporate Office**

1st Floor, Grease House,  
Zakaria Bundar Road, SEWREE WEST  
Mumbai 400 015  
Tel: 91 22 24191106/24156538 Fax: 91 22 24115260

**Website**

www.tcms.bz

**Investor Relations Email ID**

investors@tcms.bz

**Corporate Identity Number**

L74210TN1986PLC012791



## PERFORMANCE OF THE COMPANY DURING THE LAST TEN YEARS

Rupees in lacs

| PERFORMANCE OF THE COMPANY DURING THE LAST TEN YEARS |            |            |            |            |            |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| FINANCIAL YEAR ENDED                                 | 31-03-2009 | 31-03-2010 | 31-03-2011 | 31-03-2012 | 31-03-2013 | 31-03-2014 | 31-03-2015 | 31-03-2016 | 31-03-2017 | 31-03-2018 |
| INCOME FROM OPERATIONS                               | -1859.70   | 152.02     | 2344.49    | -419.76    | 12.38      | 108.35     | 3712.79    | 39.17      | -44.13     | 799.65     |
| PROFIT BEFORE TAX (PBT)                              | -1895.44   | 60.04      | 870.96     | -766.11    | -60.61     | -26.40     | 3391.81    | 39.17      | -44.13     | 799.65     |
| PROFIT AFTER TAX (PAT)                               | -1895.44   | 59.95      | 694.78     | -763.59    | -59.13     | -25.65     | 2489.50    | 28.61      | -38.93     | 568.34     |
| PAID UP EQUITY CAPITAL                               | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    | 1050.00    |
| NETWORTH OF THE COMPANY                              | 5081.88    | 5291.83    | 5787.21    | 5023.62    | 4998.89    | 4973.24    | 5833.12    | 5861.73    | 5822.80    | 6542.22    |
| DIVIDEND   | NIL        | NIL        | NIL        | NIL        | NIL        | NIL        | 20.00%     | NIL        | NIL        | 0.25       |
| EPS  | -18.09     | 0.57       | 4.73       | -7.29      | -2.14      | -0.24      | 22.68      | 0.27       | -0.37      | 5.41       |
| TOTAL ASSETS   | 5318.83    | 5948.61    | 6715.26    | 6995.80    | 5033.38    | 5017.69    | 9251.60    | 6960.62    | 7080.25    | 8326.58    |
| TOTAL LIABILITIES                                    | 236.95     | 656.78     | 928.05     | 1972.18    | 34.49      | 44.45      | 3418.48    | 1098.89    | 1257.45    | 1784.36    |

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**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**

Regd.Office: NO.67, OLD NO.28-A, DOOR NO.G-3.ELDAMS ROAD, Alwarpet,  
Chennai - 600 018 TELEPHONE +91 44 24330006, FAX +91 44 24328452

**WEBSITE: [www.tcms.bz](http://www.tcms.bz) ; e-mail: [Investors@tcms.bz](mailto:Investors@tcms.bz)**

**CIN: L74210TN1986PLC012791**

**NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the 33rd Annual General Meeting of the Company will be held on Monday, 15th July, 2019 at 4.00 p.m. at ASHA NIVAS, No.9, Rutland Gate 5th Street, Chennai 600 006 to transact the following business.

**ORDINARY BUSINESS****Item No.1 Adoption of Financial Statements**

To receive, consider and adopt the financial statements (Standalone and Consolidated financial statements) of the Company for the financial year ended 31st March 2019, including the Statement of Profit & Loss of the Company for the year ended on that date, along with the reports of the Board of Directors (the Board) and Auditors thereon.

**Item No. 2 Appointment of Mr.Sundar Iyer as a Director liable to retire by rotation**

To appoint Mr.Sundar Iyer, (DIN 00481975) who retires by rotation, and being eligible, offers himself for reappointment.

Shareholders are requested to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Sundar Iyer (DIN00481975) as a Director, who is liable to retire by rotation.”

**Item No.3 - Appointment of Statutory Auditors and fix their remuneration.**

To consider and if thought fit to pass the following resolution with or without modification:

“RESOLVED THAT pursuant to the provisions of Sections 139,142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Shankar & Kishor, Chartered Accountants (Firm Registration No. 112451W) having office at 501, 5th Floor, T-Square,(Opp. Chandivali Petrol Pump) Saki Vihar Road, Powai, Mumabi - 400072 be and is hereby appointed as the Statutory Auditors of the company, in place of retiring auditors M/s. Lakhani & Lakhani, Chartered Accountants (Firm Registration Number 115728W), commencing from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 38th Annual General Meeting (AGM), subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided (based on the recommendations of the audit committee) by the Board of Directors of the company, in addition to the reimbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively”





## **SPECIAL BUSINESS**

### **Item No. 4 Approval for payment of remuneration to Mr. Sundar Iyer as Chief Executive Officer of the Company.**

To Consider and, if thought fit, to pass with or without modification(s), the following as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, and as recommended by the Nomination and remuneration Committee and approved by the Board of Directors, consent of the Company be and is hereby accorded for the payment of remuneration to Mr. Sundar Iyer as Chief Executive Officer of the Company w.e.f. 1st April, 2019 for a period of 3 (three) years as detailed in the Explanatory Statement.

**“RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr. Sundar Iyer shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013 and the Board be and is hereby authorized to vary, alter and modify the terms and conditions of remuneration/remuneration structure of Mr. Sundar Iyer as Chief Executive Officer including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution, Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

**“FURTHER RESOLVED THAT** in event of absence or inadequacy of profit in any financial year during the tenure of the appointment, the Board of Directors/ Nomination and Remuneration Committee constituted by the Board, do accept to pay the above remuneration as the minimum remuneration to Mr. Sundar Iyer, Chief Executive Officer.”

**“FURTHER RESOLVED THAT** the Board of Directors and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any committee of directors or director(s) to give effect to the above resolution.”

### **Item No.5- Approval of Related Party Transactions**

To approve related party transaction and in this regard to consider and, if thought fit, to pass the following resolution as Special Resolution:

**“Resolved that** pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and FAQ on SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 released by SEBI dated January 08, 2016, section 188 and other applicable provisions if any, of the Companies Act, 2013, and rules made there under, including any amendment, modification, variation or re-enactment thereof for the time being in force and on the basis of approval of the Audit Committee, the consent of the company be and is hereby accorded for related party transactions to be entered by the company as per chart appended below.



| <b>S.No.</b> | <b>Name of the Related Party</b>                | <b>Transactions defined u/s188 of the Companies Act, 2013 / SEBI (LODR) Regulations, 2015</b>                 | <b>Value of Transaction</b>                 | <b>Period</b>                     |
|--------------|---|---|---|-----------------------------------|
| 1.           | M/s. SI INVESTMENTS AND BROKING PRIVATE LIMITED | BROKING SERVICES<br>For execution of trades in BSE & NSE in Cash and Derivatives Segment as a Business Client | Brokerage and other charges upto Rs.50 lacs | 1st April 2019 to 31st March 2020 |

Resolved further that to give effect to the resolution the Board of Directors /Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto.

Place: Mumbai  
Date: 18th June 2019

**By Order of the Board**  
A. V. M. SUNDARAM  
**Company Secretary**

**NOTES:**

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
- b) Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution on the letter head of the Company, signed by one of the Directors or Company Secretary or any other authorized signatory and / or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.
- c) The instrument appointing proxy (duly completed, stamped and signed) in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the 33rd Annual General Meeting of the company.
- d) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than 3 days written notice is given to the company in advance.
- e) The Members / Proxies / Authorised Representatives are requested to bring the duly filled Attendance Slips and their copy of Annual Report enclosed herewith to attend the Meeting.
- f) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from Saturday, 6th July 2019 to Monday, 15th July 2019 (both days inclusive) for the purpose of Annual General Meeting.
- g) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the AGM.
- h) The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 setting out material facts in respect of the special business under Item No. 3, 4 & 5 of the Notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (LODR) REGULATIONS, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment / re-appointment as Director under Item No.2 of the Notice, are also annexed.
- i) In accordance with the provisions of Section 191 of the Companies Act, 2013 and Rule 18 of the Companies (Management and Administration) Rules, 2014 and Regulation 36 of the SEBI (LODR) Regulations, 2015, this Notice and the Annual Report of the Company for the financial year 2018 -19 are being sent by e-mail to those Members whose e-mail addresses are available with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the company by the Depositories.



j) Members holding shares in physical form and in electronic mode are requested to immediately notify change in their address and updates of savings bank account details, if any, to their respective Depository Participant(s) and to the Registrar and Share Transfer Agents, Link Intime India Private Limited, C 101, 247 Park, L. B. S. Marg, Vikhroli, West, Mumbai 400 083 - Tel No: +91 22 49186000 Fax: +91 22 49186060, quoting their Folio Number(s).

k) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

l) Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company Secretary at least seven days in advance of the Meeting so that the information required can be readily made available at the Meeting.

m) All documents referred to in the accompanying Notice and the explanatory statement requiring the approval of the Members at the AGM and other statutory registers shall be available for inspection at the Registered Office of the Company during business hours on all days, except Saturdays, Sundays and National Holidays from the date hereof up to the date of Annual General Meeting.

n) With effect from 1st April 2014, inter alia, provisions of Section 149 of Companies Act, 2013 has been brought into force. In terms of the said section read with section 152 (6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors.

o) Profile of directors seeking re-appointment is provided in the report on corporate governance, which forms an integral part of this annual report.

p) Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection Fund.

The Company does not have any unpaid dividends which are due for transfer to the Investor Education and Protection Fund as on 31st March 2019.

q) The route map showing directions to reach the venue of the 33rd Annual General Meeting is annexed.

**r) Voting through Electronic Means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), and pursuant to Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIPL).



II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 12th July 2019 (9:00 am) and ends on 14th July 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th July 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LI IPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

#### **V. The process and manner for remote e-voting are as under:**

##### **Instructions for shareholders to vote electronically:**

- ❖ Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)
- 1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- 2. Click on “Login” tab, available under 'Shareholders' section.
- 3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
- 4. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- 5. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).



|                           | <b>For Shareholders holding shares in Demat Form or Physical Form</b>   |
|---------------------------|---|
| PAN                       | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>                                      |
| DOB/<br>DOI               | <p>Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.</p>   |
| Bank<br>Account<br>Number | <p>Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> <li>Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul> |

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.



**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**❖ Cast your vote electronically**

1. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
2. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

3. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
4. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
5. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
6. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.



### ❖ General Guidelines for shareholders:

♦ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

♦ During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

♦ Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

♦ In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to **enotices@linkintime.co.in** or **Call us:- Tel: 022 - 49186000**.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8th July 2019,

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e., 8th July 2019, may obtain the login ID and password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XII. Mrs. Lakshmmi Subramanian, Senior Partner, M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries (FCS 3534, C.P.No.1087) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.tcms.bz](http://www.tcms.bz) and on the website of LIPL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai and NSEIL, Mumbai.

**MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION**

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**INFORMATION AS REQUIRED UNDER REGULATION 36 (3) SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTORS BEING REAPPOINTED / APPOINTED**

|   |   |
|---|---|
| <b>Particulars of Director</b>  | <b>Mr. Sundar Iyer</b>  |
| <b>Date of Birth</b>  | <b>28<sup>TH</sup> OCTOBER 1950</b>   |
| <b>Date of Appointment</b>  | <b>10<sup>TH</sup> FEBRUARY 1994 (Re- appointed on 28<sup>th</sup> September 2017) Designated as Chief Executive Officer on 30<sup>th</sup> March 2015.</b>   |
| <b>Qualifications</b>   | <b>B.Sc</b>   |
| <b>Expertise in specific functional areas</b>   | <b>Experienced in Stock Market Operations since 1985</b>  |
| <b>Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)</b>   | <b>TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED</b><br><b>TWENTYFIRST CENTURY REALTY LIMITED</b><br><b>LUBRICANTS &amp; ALLIED PRODUCTS MFG COMPANY PRIVATE LIMITED</b><br><b>SIDDHARTH KARTHIK SECURITIES PRIVATE LIMITED</b><br><b>PALANI ANDAVAR HOLDINGS PRIVATE LIMITED</b> |
| <b>Chairmanships / Memberships Of Committees of other Public Companies</b><br>i. Audit Committee<br>ii. Stakeholders Relationship Committee<br>iii. Nomination and Remuneration Committee | <b>Member of the following committees of Twentyfirst Century Shares and Securities Limited</b><br><br><b>1) Audit Committee</b>   |
| <b>Number of shares held in the Company</b>   | <b>42,12,730 (40.1212%)</b>   |

Place: Mumbai

Date: 18<sup>th</sup> June 2019

**By Order of the Board**  
**A. V. M. SUNDARAM**  
**Company Secretary**



## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No. 3**

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. Lakhani & Lakhani, Chartered Accountants (Firm Registration Number 115728W), will hold office until the conclusion of the ensuing Annual General Meeting and are not willing to be re-appointed. The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty eighth Annual General Meeting. The Board of Directors at its meeting held on 22nd May 2019, after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. Shankar & Kishor, Chartered Accountants (Firm Registration No. 112451W), as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five consecutive years from the conclusion of the thirty third Annual General Meeting till the conclusion of thirty eighth Annual General Meeting of the Company. M/s. Shankar & Kishor, Chartered Accountants (Firm Registration No. 112451W), have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder. Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Shankar & Kishor, Chartered Accounts (Firm Registration No. 112451W) as the Statutory Auditors of the Company at a remuneration - Audit Fees of Rs.175000 (as recommended by the Audit Committee and the Board of Directors of the Company), in addition to the re-imburement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.

Interest of Directors and Key Managerial Personnel: None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends this Resolution for your Approval.

#### **Item No. 4**

The present proposal is to seek the Shareholders' approval for the payment of remuneration to Mr. Sundar Iyer as the Chief Executive Officer in terms of the applicable provisions of the Companies Act, 2013. The Board of Directors recommends payment of remuneration to him for a period of 3 years from 1st April 2019. The payment of remuneration has been recommended by the Nomination & Remuneration Committee in its meeting held on 18th June, 2019 and subsequently by the Board of Directors in its meeting held on the same date.



Mr. Sundar Iyer has about 33 years of experience in the Stock Market operations. He joined Twentyfirst Century Management Services Limited as Promoter Director in March 1986 and later on designated as its Chief Executive Officer in March, 2015.

Considering his rich experience and knowledge, the Board thought it fit to avail his services in the interest of the Company on payment of remuneration and on terms as detailed here under:

| <b>Particulars</b> | <b>Remuneration</b>   |
|--------------------|---|
| Basic Salary       | Rs.30,00,000/- per annum (Rs.2,50,000/- Per Month)  |
| Allowances         | Rs.30,00,000/- per annum (Rs.2,50,000/- Per Month)  |
| Commission         | Not exceeding 5% of the Net Profits of the company subject to the overall ceilings as per Companies Act, 2013 and Rules made thereunder, read with schedule V of the said Act   |
| Annual Increment   | To be decided by the Nomination and Remuneration Committee subject to a maximum of 25% per year.  |
| Other Perquisites  | <ul style="list-style-type: none"> <li>• In addition to the above salary, he will be eligible for use of chauffeur driven company cars, telecommunication facilities at residence and such other perquisites and allowances in accordance with rules of the Company.</li> <li>• The Company will pay medical insurance coverage premium for family for hospitalization in India.</li> <li>• Membership in clubs will be made available to meet business associates during employment with the Company.</li> <li>• The Company will reimburse the entertainment expenses incurred by the Chief Executive Officer in the course of business.</li> <li>• The Chief Executive Officer will be entitled for personal accident insurance as per Company rules.</li> </ul> |

The Board recommends the Resolution to be passed as a Special Resolution.

Except for Mr. Sundar Iyer and his relatives, none of the other Directors and Key Managerial Personnel (KMP) of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out as Item No 4.





**Brief Profile of Mr. Sundar Iyer is annexed to the Notice.**

|  |  |
|--|--|
| <b>Name of the Director</b>  | <b>Mr. Sundar Iyer</b>   |
| Brief Profile  | <p>Mr. Sundar Iyer has about 33 years of experience in the Stock Market operations. He promoted Twentyfirst Century Management Services Limited in 1986 and joined as Director and is designated as its Chief Executive Officer since March, 2015.</p> <p>Considering his rich experience and knowledge, the Board thought it fit to avail his services in the interest of the Company</p> |
| Directorships of other Companies (excluding Foreign Companies and Section 8 Companies) | <p><b>TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED</b></p> <p><b>TWENTYFIRST CENTURY REALTY LIMITED</b></p> <p><b>LUBRICANTS &amp; ALLIED PRODUCTS MFG COMPANY PRIVATE LIMITED</b></p> <p><b>SIDDHARTH KARTHIK SECURITIES PRIVATE LIMITED</b></p> <p><b>PALANI ANDAVAR HOLDINGS PRIVATE LIMITED</b></p>   |
| Memberships / Chairmanships of Committees in Public Companies                          | Twentyfirst Century Shares and Securities Limited  |
| Shareholding   | 42,12,730 (40.1212%) shares in the company   |
| Relationships between Directors inter-se   | He is related to Non-Executive Director – Shri Krishnan Muthukumar   |

**ITEM NO.5**

As per section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (meeting of Board and its power) rules 2014, any amendment thereof, except with prior approval of the Company by ordinary resolution, a Company shall not enter into transactions with a related party, in a year exceeding 10% of the Annual turnover as per last audited balance sheet of the Company.



As per Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and FAQ on SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 released by SEBI dated January 08, 2016 all related party transactions shall require approval of members by way of Special Resolution and it also explains that a transaction considered to be material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual turnover of the company as per the last audited financial statement of the company.

Accordingly in order to comply with above said SEBI (LODR) Regulations 2015 and Section 188 of the Companies Act 2013, approval of shareholders by way of Special Resolution is being sought. The Board at its meeting held on 22nd May 2019 in order to comply with SEBI (LODR) Regulations 2015 and also Section 188 of the Companies Act 2013, has approved the contract with SI INVESTMENT AND BROKING PRIVATE LIMITED, MUMBAI for execution of trades in BSE & NSE in Cash and Derivatives Segment as a Business Client each year, for a period from 1st April 2019 to 31st March 2020 with Broking and other charges not exceeding Rs.50 lacs during the financial year 2019-2020 subject to approval of the Members of the Company and subject to the conditions as prescribed by the Board. Accordingly SEBI (LODR) Regulations 2015 and also Section 188 of the Companies Act, 2013 requires Special Resolution and therefore your board recommends the resolution for your approval. All the prescribed disclosures as required under the Companies Act, 2013 and Companies (meeting of Board and its power) Rules, 2014 are given below:

**Name of the Related party:** SI INVESTMENT AND BROKING PRIVATE LIMITED

**Name of the Director or Key Managerial Personnel who is related if any:**

Mr. Sundar Iyer, Chairman & CEO

**Nature of Relationship:**

Mr. Sundar Iyer, Chairman & CEO of the Company is a Shareholder of SI INVESTMENT AND BROKING PRIVATE LIMITED and his relatives are shareholders and Directors of SI INVESTMENT AND BROKING PRIVATE LIMITED

**Nature, Material Terms, Monetary value and other Particulars:**

Broking and other charges not exceeding Rs.50 lacs during the financial year 2019-2020

Except Mr. Sundar Iyer and Director Mr. Krishnan Muthukumar of the Company none of other Directors or the Key Managerial Personnel or their relatives are interested or concerned in the Resolution.

Important Communication to Members: The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies through electronic mode. The Companies are now permitted to send various notices/ documents including annual reports to its Members through electronic mode to their registered e-mail address. To support this initiative of the Government, the Members are requested to notify their e-mail address, including any change thereof, to their DPs (for shares held in dematerialised form) or to the RTA (for shares in physical form) of the Company viz., Link Intime India Pvt. Limited in order to enable the Company to send all the future notices and documents



## DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 33RD ANNUAL REPORT on the business and operations of your company along with the Audited Financial Statements for the year ended 31st March 2019. The Consolidated Financials of the Company and its subsidiaries have been referred.

### 1. FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2019.

|  | STANDALONE |            | CONSOLIDATED |            |
|--|------------|------------|--------------|------------|
|  | 31/03/2019 | 31/03/2018 | 31/03/2019   | 31/03/2018 |
| Profit/(Loss) from capital market operations | 843.20     | 1034.93    | (254.08)     | 2789.25    |
| Other income                                 | 14.48      | 30.63      | 8.87         | 41.58      |
| Profit/(Loss) before depreciation & tax      | 704.53     | 842.59     | (440.74)     | 872.48     |
| Interest                                     | 0.00       | 0.00       | 0.00         | 0.00       |
| Depreciation                                 | 14.37      | 42.94      | 14.37        | 42.94      |
| Profit/(Loss) before tax                     | 690.16     | 799.65     | (455.11)     | 829.54     |
| Provision for tax                            | 140.00     | 240.00     | 140.00       | 240.00     |
| Tax for earlier years                        | 0.00       | 0.00       | 0.00         | 0.00       |
| Deferred tax                                 | (0.59)     | (8.69)     | (0.59)       | (8.69)     |
| Profit/(Loss) after tax                      | 550.75     | 568.34     | (594.52)     | 598.23     |
| Other Comprehensive Income                   | (27.15)    | 467.02     | (27.15)      | 467.02     |
| Total Comprehensive Income for the period    | 523.6      | 1035.36    | (621.67)     | 1065.25    |



## 2. BUSINESS & PERFORMANCE

During the year under review, the Company has made Profit of Rs.550.75 lacs, against Profit of Rs.568.34 lacs in the last financial year. The total comprehensive income / profit of the company for the year under review is Rs.523.60 lacs against comprehensive income / profit of Rs.1035.36 lacs in the last financial year.

## 3. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was Rs.10.50 crore. No additions and alterations to the capital were made during the financial year 2018-19.

## 4. DIVIDEND

The Directors have not recommended any dividend for the financial year 2018-19.

Your Company has declared and paid a dividend (25%) of Rs.2/50 per share of the face value of Rs.10 each for the financial year 2017-18. The dividend approved by the Members at the Annual General Meeting has absorbed a sum of Rs. 315.94 lacs, inclusive of taxes.

Your Company has declared and paid a dividend (20%) of Rs.2 per share of the face value of Rs.10 each for the financial year 2014-15. The dividend approved by the Members at the Annual General Meeting has absorbed a sum of Rs. 251.99 lacs, inclusive of taxes

### **Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (“IEPF”)**

Pursuant to Section 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956 all unclaimed / unpaid dividend as applicable remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, were required to be transferred to IEPF. Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), both of which were applicable with effect from 7th September 2016, also contain similar provision for transfer of such amounts to the IEPF. Accordingly all unclaimed /unpaid dividend for a period of seven years from the date they became due for payment, in relation to the company have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the company for the amounts so transferred.



The following table gives information relating to outstanding dividend accounts and the dates by which they can be claimed by the shareholders.

| Financial Year | Date of Declaration | Last date for claiming unpaid dividend |
|----------------|---------------------|--|
| 2014 -2015     | 17th July 2015      | 16th July 2022                         |
| 2017 -2018     | 12th July 2018      | 11th July 2025                         |

## 5. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Our Company has granted loans to wholly owned subsidiary Twentyfirst Century Shares and Securities Limited Loans, guarantees and investments under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

### 6. Transfer to General Reserve

Your Company does not propose any transfer of funds to the General Reserve.

## 7. DEPOSITS

Your Company has not accepted any deposits from the public during the year under review. There are no outstanding deposits as on 31st March 2019.

## 8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC 2, is appended as Annexure II.

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is set out in this Annual Report Annexure - A.

## 10. RISK MANAGEMENT REPORT

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with the provisions of the listing agreement the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.



The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

## **11. BOARD POLICIES**

The details of the policies approved and adopted by the Board are provided in Annexure VIII to the Board's Report.

## **12. HUMAN RESOURCES**

The well-disciplined workforce which has served the company for the last 5 years lies at the very foundation of the company's major achievements and shall well continue for the years to come. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

## **13. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has amended the POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSEMENT giving effect to the recent amendments in the provisions of the Companies Act, 2013 made on 31st July 2018 and SEBI (LODR) Regulations, 2015 and this is available in the website of the company [www.tcms.bz](http://www.tcms.bz) > Investor Relations > Corporate Information > Policies.

The Company has constituted an Internal Complaint Committee with three members, as per the provisions of the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013 and complied with the provisions of the same.

### **Internal Complaint Committee Members**

1. Presiding Officer - Ms. Jaylaxmi Mukta (Employee of the Company)
2. Member - Ms. Dipti D. Sakpal (Independent Woman Director of the Company)
3. Member - Mr. Bhaskar Shetty (CFO of the Company)





The Committee met once in the financial year 2018-19, on 14th November 2018 to assess the position in the company.

The Company has displayed in the Notice Board of the company the particulars regarding

1. Instructions to the employees
2. Procedure to be followed for lodging complaint and in redressal.
3. Complaint mechanism

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **14. SUBSIDIARY COMPANIES**

Your Company has one subsidiary viz., TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED. The subsidiary company is engaged in Investment & Trading in Shares and Derivatives.

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Further there has been no material change in the nature of business of the subsidiaries.

Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the annual report.

Performance and financial position of the subsidiary companies is given in Annexure-I.

#### **15. CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS 2015**

As per provisions of the SEBI (LODR) Regulations 2015, Management Discussion and Analysis report (ANNEXURE A) and Corporate Governance Report with Auditors' certificate thereon (ANNEXURE - B) are attached and form part of this report.

#### **16. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT**

There are no material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.



## **17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

## **18. AUDITORS**

### **STATUTORY AUDITORS**

Messrs. Lakhani & Lakhani, Mumbai, Chartered Accountants, (Firm Registration Number 115728W) has been appointed as statutory auditors of the company at the Annual General Meeting held on 17th July 2015 from the conclusion of 29th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the company. The term of 5 years of the present Statutory Auditors is expiring at the ensuing 33rd Annual General Meeting (AGM) and they have expressed their inability to continue for the next term of 5 years.

In the place of retiring auditors the Board of Directors of the company has appointed M/s. Shankar & Kishor, Chartered Accountants, Mumbai (Firm Registration Number 112451W) from the conclusion of 33rd Annual General Meeting (From FY2019-20) till the conclusion of 37th Annual General Meeting (Till FY 2023-24) of the company subject to the approval and ratification by the members of the company in the Annual General Meeting (AGM) to be held on 15th July 2019.

### **REPLY TO THE OBSERVATIONS MADE BY THE STATUTORY AUDITOR**

Statutory Auditors in their report have made the following observations:

- 1. Non Provision of Doubtful Loans & Advances amounting to Rs.2272.77 lacs advanced to its subsidiary company and Group Company.**
- 2. We further report that, had the observation made by us above been considered, the loss for the year would have been Rs.1722.02 lacs (as against the reported profit figure of Rs.550.75 lacs) and loss after considering accumulated figures of previous years would have been Rs.46.62 lacs (as against reported figure of profit of Rs. 2226.15 Lacs) and the balance of amount due from subsidiary company and group company would have been Rs. Nil (as against the reported figure of Rs.2272.77 lacs).**



**Our Reply:** Regarding the observation for non-provision for Doubtful Loans & Advances amounting to Rs.2272.77 lacs made to the subsidiary company and a group company, the management is of the opinion that the subsidiary is confident of repaying the current Short Term Loans & Advances amounting to Rs.2250.64 lacs (considered as Doubtful Loans & Advances by the auditor), representing borrowings made during this financial year 2018-19, in the next fiscal. The subsidiary company is making efforts to repay the dues to the holding company through improved profitability.

In respect of the balance amount of Rs.22.13 lacs is receivable from a related company and the company is proceeding legally to recover the same.

## **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Lakshmmi Subramanian & Associates, Practising Company Secretaries, (CP No.1087, FCS:3534), Company Secretaries to undertake the secretarial audit of the company for three years from the financial year ended 31st March 2019 (FY 2018-19). The Secretarial Audit Report is annexed herewith as 'Annexure V'.

## **REPLY TO THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR**

### **Secretarial Auditors in their report have made the following observations:**

1. The Company is engaged in investment and trading activity with their own surplus funds. However, without any registration/license required under RBI (NBFC Rules and Regulations).

The Company is in the process of filing an application for registration/license required under RBI (NBFC Rules and Regulations).

2. The Company is yet to file relevant forms for appointment of Internal Auditor as required under Section 179(3) of the Companies Act, 2013.

Action has been initiated to file the relevant forms for appointment of Internal Auditor as required under Section 179(3) of the Companies Act, 2013.

3. The Company has not spent expenditure on Corporate Social Responsibility amounting to Rs. 5.30 Lakhs pertaining to FY 2017-18 and 2018-19, though a provision for the same has been made.



The company could not identify proper activity under CSR during the financial year 2018-19 and is confident of spending the amount during the financial year 2019-20.

4. The Company has extended Interest-free Loans to its Wholly-Owned Subsidiary and the compliance of provisions of Section 186(7) of the Companies Act, 2013 is yet to be regularized.

Board of Directors would like to obtain a legal opinion in the matter before proceeding further.

5. The Company is in the process of strictly complying with the observations made in the Secretarial Compliance Report under SEBI (PIT) Regulations.

## **INTERNAL AUDITORS**

All the investments related activities are done under the direct supervision of the Chairman of our company. As per the provisions of the Companies Act, 2013 the company has appointed M/s. Om Prakash S.Chaplot & Co, Chartered Accountants, Mumbai as an Internal Auditor for the company for the financial year 2018-19.

The Company proposes to continue their services and appoint M/s. Om Prakash S.Chaplot & Co, Chartered Accountants, Mumbai as an Internal Auditor for the financial year 2019-20, to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

## **19. AUDIT COMMITTEE**

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report

## **20. CORPORATE SOCIAL RESPONSIBILITY**

During the financial year 2017-18, the company has spent Rs.22.75 lacs on the Corporate Social Responsibility (CSR) activities. Your Company knows the importance of Corporate Social Responsibility (CSR) activities of the company under the provisions of the Companies Act, 2013. Accordingly a committee has been formed under the chairmanship of Mr.Sundar lyer Chairman of the company.

During the financial year 2018-19 the company has provided Rs.5.30 lacs for spending under CSR Activities. The Committee could not identify and approve the activities during the year for such expenditure. The same will be done during the next financial year 2019-20.



The annual report on CSR activities for the financial year 2018-19 is enclosed herewith as Annexure VII

## **21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE INFLOW & OUTGO**

The Company had taken steps to conserve use of energy in its office, consequent to which energy consumption has been minimized. No additional Proposals/ Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

Company's business does not require any technology absorption and hence no reporting is required to be furnished under this heading.

## **22. BOARD EVALUATION**

Pursuant to the provisions of companies Act, 2013 and of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

## **23. DIRECTORS AND KEY MANAGEMENT PERSONNEL**

At the 28th Annual General Meeting of the company held on 27th June 2014 the company had appointed the existing independent director Shri S.Hariharan (DIN 02545610) as independent director under the companies Act, 2013 for a period of 5 years commencing from 27th June 2014. The Independent Director has given declaration that he meets the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and listing agreement. The term of this Independent Director expired on 31st March 2019. Fresh appointment of Independent Director is not made this year in his place since the company has got the required number of Independent Directors.

At the 29th Annual General Meeting of the company held on 17th July 2015, the company had appointed the existing Independent Director Shri Iyer Vishwanth (DIN 00137166) for a period of 5 years till 16th July 2020 and Ms. Sita Sunil (DIN 00041722) as an Independent Woman Director for a period of 5 years till 20th April 2020.



At the 31st Annual General Meeting of the company held on 28th September 2017, company appointed Ms. Dipti Dinesh Sakpal (DIN07305797) as Independent Woman Director with effect from 18th April 2017 as recommended by the Board of Directors, in the vacancy created on account of the resignation of Independent Woman Director - Ms. Sita Sunil, for a period of 5 years till 17th April 2022.

All the three Independent Directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and of listing agreement.

Shri Sundar Iyer (DIN 00481975) Executive Director of our company shall retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. As stipulated in terms of the listing agreement with the stock exchanges, the brief profile of Shri Sundar Iyer is provided in the report on corporate governance, which forms an integral part of this Annual Report.

The Key Management Personnel of the company are as under:

1. Mr. Sundar Iyer - Chief Executive Officer
2. Mr. A.V.M.Sundaram - Company Secretary
3. Mr. Bhaskar Shetty - Chief Financial Officer

## **24. POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION**

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered in Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act, is enclosed at Annexure-VI in the prescribed form MGT-9 and forms part of this Report.

## **25. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Mr. Sundar Iyer, Chairman & Chief Executive Officer and forms part of the Annual Report.





## **26. RELATIONSHIP BETWEEN DIRECTORS INTER-SE**

Mr.Krishnan Muthukumar, Non-Executive Director is related to Mr.Sundar Iyer, Chairman and Chief Executive Officer of the company. None of the other Directors are related to each other within the meaning of the term “relative”, as per Section 2 (77) of the Act and the provisions of the revised listing agreements.

## **27. EVALUATION OF DIRECTORS BY INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors met on 30th March 2019, inter alia to:

- i. Review the performance of non-independent directors and the Board as a whole
- ii. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

## **28. EVALUATION OF INDEPENDENT DIRECTORS BY DIRECTORS' MEETING**

During the year under review, the Directors (other than Independent Directors) met on 30th March 2019, inter alia to:

- i. Review the performance of the independent directors of the company, taking into account the views of executive directors and non-executive directors.
- ii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **29. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The information about internal financial control system and their adequacy is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

## **30. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:



- a. That in the preparation of the annual financial statements for the year ended 31st March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made 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 2019 and of the profit of the Company for the year ended on that date;
- c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **31. INDEPENDENT DIRECTORS' DECLARATION**

Mr. Iyer Vishwanath, Mr.S.Hariharan and Ms. Dipti D. Sakpal, who are Independent Directors, as on 31st March 2019 have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and in terms of the provisions of SEBI (LODR) Regulations, 2015. Further, there has been no change in the circumstances which may affect their status as independent director during the year 2018-19.

### **32. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

### **33. PARTICULARS OF REMUNERATION**

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable, as none of the directors of the company are receiving any remuneration from the company.



The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company. Particulars of remuneration/ Sitting Fees paid are detailed in Annexure-III to the Director's Report.

### **34. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS**

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

### **35. VIGIL MECHANISM**

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. For details, please refer to the Corporate Governance Report attached to this Report.

### **36. ACKNOWLEDGEMENTS**

The Board of Directors would like to thank all employees of the Company and also Company's shareholders, auditors, customers and bankers for their continued support.

### **37. CAUTIONARY STATEMENT**

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Place: Mumbai  
Date: 22nd May 2019

**For and on behalf of the Board**  
**Sundar Iyer**  
**Chairman & CEO**



## **ANNEXURES TO THE DIRECTORS' REPORT**

1. Annexure I Statement containing the salient features of the financial statements of Subsidiaries (AOC 1)
2. Annexure II Particulars of contracts / arrangements made with related parties
3. Annexure III - Particulars of Employees
4. Annexure IV Independent Auditor's Certificate on corporate governance
5. Annexure V Secretarial Audit Report for the financial year ended 31st March 2019
6. Annexure VI- Extract of Annual Return in Form MGT - 9
7. Annexure VII Annual Report on CSR Activities
8. Annexure VIII- Corporate Policies



## Annexure I Statement containing the salient features of the financial statements of Subsidiaries (AOC - 1)

### FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

#### Part A: Subsidiaries

1. Name of the subsidiary **TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED - Wholly owned subsidiary**
2. Reporting period for the Subsidiary concerned, if different from the holding company's reporting period - Same as the holding company
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries **NOT APPLICABLE**

| <b>REPORTING PERIOD</b>                  | <b>1 April, 2018 to 31 March, 2019<br/>(Rs. In lacs)</b> |
|--|--|
| Share capital                            | 1308.95  |
| Reserves & surplus                       | (1609.65 )   |
| Total assets                             | 2099.70  |
| Total Liabilities                        | 2400.40  |
| Investments                              | 0.00   |
| Turnover (Revenue )                      | (1096.89)  |
| Profit before taxation                   | (1145.27)  |
| Provision for taxation<br>(Deferred Tax) | 0.00   |
| Short Provision for earlier years        | 0.00   |
| Profit after taxation                    | (1145.27)  |
| Proposed Dividend                        | NIL  |
| % of shareholding                        | 100%   |

Notes:

There is no subsidiary which is yet to commence operations.

There is no subsidiary which has been liquidated or sold during the year.

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

Mumbai  
22nd May 2019

**SUNDAR IYER**  
Director

**KRISHNAN MUTHUKUMAR**  
Director

**AVM SUNDARAM**  
Company Secretary

**Bhaskar Shetty**  
Chief Financial Officer



## Annexure II Particulars of contracts / arrangements made with related parties

### 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]

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2019 which were not at arm's length basis.

#### Details of contracts or arrangements or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March 2019 are as follows:

| Name of related party                                     | Nature of relationship  | Duration of Contract             | Salient terms  | Amount (in Rs.lacs) |
|---|---|----------------------------------|--|---------------------|
| SI Investments and Broking Private Limited                | Promoter Director and his Relatives are shareholders in the company | One Year (FY 2018-19)            | Broking Services for executing trades in NSE & BSE as a Business Client. | 23.18               |
| Lubricants & Allied Products Mfg. Company Private Limited | Promoter Director and his Relatives are shareholders in the company | One Year (FY 2018-19)            | Contract for offering services as a business centre                      | 4.93                |
| Mr. Karthik Sundar Iyer                                   | Promoter Director's Relative  | One Year w.e.f 1st December 2018 | Appointed as Chief Administrative Officer                                | 4.00                |

Appropriate Approvals have been taken for related party transactions.

#### Particulars relating to transactions with SI INVESTMENT & BROKING PVT LTD

|   |  |   |
|---|--|---|
| 1 | Name(s) of the related party and nature of relationship                                    | SI INVESTMENT & BROKING PVT LTD (Company in which Director Shri Sundar Iyer is holding 10.57% Shares of the company)  |
| 2 | Nature of contracts/arrangements/transactions  | Broking Services for executing trades in Cash and Futures & Options Segment   |
| 3 | Duration of the arrangements/transactions  | Annual Contract   |
| 4 | Salient terms of the contracts or arrangements or transactions including the value, if any | Maintained at arm's length similar to third party contracts.<br>Brokerage @0.01% for derivative transactions and @0.05% for cash market transactions along with other statutory charges like STT, Stamp Duty, etc |
| 5 | Justification for entering into such contracts or arrangements or transactions             | Competitive Pricing and Value of services rendered.   |
| 6 | Date(s) of approval by the Board, if any   | 17 <sup>th</sup> May 2018 and by Shareholders in the AGM held on 12 <sup>th</sup> July 2018   |
| 7 | Amount paid as advances, if any  | N.A.  |



### Annexure III - Particulars of Employees

The remuneration and perquisites provided to our employees, including that of the Management are on par with industry benchmarks. The nomination and remuneration committee continuously reviews the compensation of our CAO and other Key Management Personnel (KMP) to align both the short term and long term business objectives of the Company.

Information as per Rule 5 of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### III (a) Remuneration details of Directors and KMP

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company. Particulars of remuneration/ Sitting Fees paid are detailed in Annexure-VI Extract of Annual Return MGT-9

A Statement containing the particulars in accordance with the provisions under Section 134 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below. Top Ten (10) Employees in terms of remuneration drawn is as under:

| <b>Statement under Section 134 of the Companies Act 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014</b> |                              |   |                            |                              |                                     |
|---|------------------------------|---|----------------------------|------------------------------|-------------------------------------|
| <b>Name, Age and Qualification</b>  | <b>Designation</b>           | <b>Date of Commencement of employment</b> | <b>Experience in years</b> | <b>Remuneration received</b> | <b>Last Employment</b>              |
| Mr. Bhaskar Shetty, 55, FCA   | Chief Financial Officer      | 15-12-1995                                | 23                         | 1988580                      | NA                                  |
| Mr. Karthik Iyer, 30, MSC   | Chief Administrative Officer | 01-07-2015                                | 3                          | 400000                       | NA                                  |
| Mr. AVM Sundaram, 67, CS  | Company Secretary            | 01-04-1999                                | 19                         | 1237500                      | BANK OF INDIA                       |
| Mr. K. R. Radhakrishnan, 59, BCOM   | Account Assistant            | 10-10-1995                                | 23                         | 375000                       | NA                                  |
| Mr. Ananda Yadav, 44  | Back Office Assistant        | 05-04-1995                                | 23                         | 259380                       | NA                                  |
| Mr. Shailesh Mahabdi, 42  | Back Office Assistant        | 07-04-1995                                | 23                         | 224796                       | NA                                  |
| Mr. Shantaram Yadav, 44   | Back Office Assistant        | 26-05-2003                                | 15                         | 172920                       | NA                                  |
| Mr. A. K. Jeeva, 54   | Back Office Assistant        | 01-04-1997                                | 21                         | 298680                       | NA                                  |
| Mr. K. B. Srinivaslu, 48  | Back Office Assistant        | 17-09-1995                                | 23                         | 279840                       | NA                                  |
| Ms. Jaylaxmi Mukta, 37 MBA  | Account Manager              | 15-05-2008                                | 10                         | 506184                       | HDFC BANK LTD, CHEKMATE CONSULTANCY |



Note: 1. Remuneration includes salary, allowances and Company's contribution to PF.  
2. Karthik Iyer is a relative of Director of the company

The particulars of the employees employed throughout the financial year 2018-19 and in receipt of remuneration aggregating Rs.1,02,00,000 or more is as follows:

- a) Employed throughout the year - Nil
- b) Employed for part of the year - Nil

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## **Annexure IV Independent Auditor's Certificate on corporate governance**

We have examined the compliance of Corporate Governance by Twentyfirst Century Management Services Limited for the year ended on 31st March 2019, as stipulated in SEBI (LODR) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

On the basis of information and explanation given to us and as per the records maintained by the Company, we state that no investor grievances is pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor effectiveness with which the management has conducted the affairs of the Company.

### **For M/s Lakhani & Lakhani**

Chartered Accountants

(Firm Registration Number - 115728W)

SuhasShinde

(Membership Number - 117107)

### **Partner**

Place: Mumbai

Date: 22nd May 2019



## Annexure V Secretarial Audit Report for the financial year ended 31st March 2019

### Lakshmmi Subramanian & Associates

LAKSHMMI SUBRAMANIAN, B.Com., FCS  
P.S. SRINIVASAN, B.A., LL.B., A.C.S.  
S. SWETHA, B.Com., ACS  
Practising Company Secretaries

#### Secretarial Audit Report for the financial year ended 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Twentyfirst Century Management Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Twentyfirst Century Management Services Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019(Regulation 24A of SEBI(LODR)).

- (a) all the documents and records made available to us and explanation provided by Twentyfirst Century Management Services Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Twentyfirst Century Management Services Limited ("The Company") for the financial year ended on 31st March, 2019 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
  - i. The Companies Act, 2013 (the Act) and the Rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



"Murugesu Naicker Office Complex", 81, Greams Road, Chennai 600 006.  
Ph: 28292272, 28292273 Fax : 044-42142061, Cell : 9841015012, 9841047966  
e-mail : lakshmmi6@gmail.com, worklistsa2@gmail.com



LAKSHMMI SUBRAMANIAN &amp; ASSOCIATES

*Continuous Sheet*

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;

We hereby report that

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except as specified below.
- b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. There were no actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

We have also examined the compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

In our opinion and as identified and informed by the Management, the following laws are specifically applicable to the Company as the company is engaged in the activity of secondary market trading in securities and derivatives:

1. Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
2. Reserve Bank of India Act, 1934
3. Securities Contract Regulation Act, 1956 and the Rules made thereunder.

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except: -

- The Company is engaged in investment and trading activity with their own surplus funds. However, without any registration/license required under RBI(NBFC Rules and Regulations).
- The Company is yet to file relevant forms for appointment of Internal Auditor as required under Section 179(3) of the Companies Act, 2013.





LAKSHMMI SUBRAMANIAN &amp; ASSOCIATES

*Continuous Sheet*

- The Company has not spent expenditure on Corporate Social Responsibility amounting to Rs. 5.30 Lakhs pertaining to 2018-19, though a provision for the same has been made.
- The Company has extended Interest-free Loans to its Wholly-Owned Subsidiary and the compliance of provisions of Section 186(7) of the Companies Act, 2013 is yet to be regularized.
- The Company is in the process of strictly complying with the observations made in the Secretarial Compliance Report under SEBI(PIT), Regulations.

We further report that there were no actions/events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
6. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads/Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other applicable general laws including Human Resources and Labour laws.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.





**LAKSHMMI SUBRAMANIAN & ASSOCIATES****Continuous Sheet**

We further report that

The company is well constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. The Company has pending litigation with GILC, the impact of which is yet to be disclosed.
2. The period of 12% Cumulative redeemable preference shares held by the Company in its Wholly Owned Subsidiary was extended for another period of 3 years with the Company's consent.
3. The Company's Independent Director, Mr. S. Hariharan has not opted for re-appointment and hence was not appointed for II Term.
4. The impact of non-provision of interest to the Loan extended to wholly owned subsidiary is not quantifiable.

Place: Chennai  
Date: 22.05.2019

For LAKSHMMI SUBRAMANIAN & ASSOCIATES



Lakshmi Subramanian

Senior Partner

FCS No. 3534

C.P.No. 1087



LAKSHMMI SUBRAMANIAN & ASSOCIATES

Continuous Sheet

ANNEXURE – A

To,  
The Members  
Twentyfirst Century Management Services Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: 22.05.2019

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

  
Lakshmmi Subramanian  
Senior Partner  
FCS No.3534  
C.P.No. 1087



## Annexure VI- Extract of Annual Return

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 ( the “Act”) is enclosed at Annexure-VI in the prescribed form MGT-9 and forms part of this Report.

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2019**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the**  
**Company (Management & Administration) Rules, 2014.**

### I. REGISTRATION & OTHER DETAILS:

|    |  |  |
|----|--|--|
| 1. | CIN  | L74210TN1986PLC012791  |
| 2. | Registration Date  | 13-03-1986   |
| 3. | Name of the Company  | TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED  |
| 4. | Category/Sub-category of the Company                                       | COMPANY LIMITED BY SHARES<br>INDIAN NON-GOVERNMENT COMPANY   |
| 5. | Address of the Registered office & contact details                         | G-3, OLD NO. 28A, NEW NO. 67, ELDAMS ROAD, ALWARPET, CHENNAI   |
| 6. | Whether listed company   | YES  |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | LINK INTIME INDIA PVT. LTD., C13, PANNALAL SILK MILLS COMPOUND, LBS MARG, BHANDUP WEST, MUMBAI-400078. |

### 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)

| S. No. | Name and Description of main products / services          | NIC Code of the Product/service | % to total turnover of the company |
|--------|---|---------------------------------|------------------------------------|
| 1      | Investments in shares and trading in Shares & Derivatives | 65993                           | 100.00%                            |



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| S. No. | Name and address of the Company  | CIN/GLN              | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|--|----------------------|-------------------------------|------------------|--------------------|
| 1      | TWENTYFIRST CENTURY SHARES AND SECURITIES LIMITED<br>2B, GREASE HOUSE,<br>ZAKARIA BUNDER ROAD, SEWRIWEST,<br>MUMBAI-400015 | U51900MH1942PLC00546 | Subsidiary                    | 100%             | Section 2(87)      |

### IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

#### A) Category-wise Share Holding

| 21st Century Management Services Limited |  |  |          |         |                   |   |          |         |                   |                          |
|--|--|--|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
| Sr No                                    | Category of Shareholders                                     | Shareholding at the beginning of the year - 2018 |          |         |                   | Shareholding at the end of the year -2019 |          |         |                   | % Change during the year |
|  |  | Demat  | Physical | Total   | % of Total Shares | Demat                                     | Physical | Total   | % of Total Shares |                          |
| (A)                                      | <b>Shareholding of Promoter and Promoter Group</b>           |  |          |         |                   |   |          |         |                   |                          |
| [1]                                      | Indian   |  |          |         |                   |   |          |         |                   |                          |
| (a)                                      | Individuals / Hindu Undivided Family                         | 4683753  | 0        | 4683753 | '44.6072          | 5799203                                   | 0        | 5799203 | '55.2305          | '10.6233                 |
| (b)                                      | Central Government / State Government(s)                     | 0  | 0        | 0       | '0.0000           | 0   | 0        | 0       | '0.0000           | '0.0000                  |
| (c)                                      | Financial Institutions / Banks                               | 0  | 0        | 0       | '0.0000           | 0   | 0        | 0       | '0.0000           | '0.0000                  |
| (d)                                      | Any Other (Specify)  |  |          |         |                   |   |          |         |                   |                          |
|  | Sub Total (A)(1)   | 4683753  | 0        | 4683753 | '44.6072          | 5799203                                   | 0        | 5799203 | '55.2305          | '10.6233                 |
| [2]                                      | Foreign  |  |          |         |                   |   |          |         |                   |                          |
| (a)                                      | Individuals (Non-Resident Individuals / Foreign Individuals) | 0  | 0        | 0       | '0.0000           | 0   | 0        | 0       | '0.0000           | '0.0000                  |
| (b)                                      | Government   | 0  | 0        | 0       | '0.0000           | 0   | 0        | 0       | '0.0000           | '0.0000                  |
| (c)                                      | Institutions   | 0  | 0        | 0       | '0.0000           | 0   | 0        | 0       | '0.0000           | '0.0000                  |





|     |   |         |       |         |          |         |       |         |          |          |
|-----|---|---------|-------|---------|----------|---------|-------|---------|----------|----------|
| (d) | Foreign Portfolio Investor  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (e) | Any Other (Specify)   |         |       |         |          |         |       |         |          |          |
|     | Sub Total (A)(2)  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
|     | <b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b> | 4683753 | 0     | 4683753 | '44.6072 | 5799203 | 0     | 5799203 | '55.2305 | '10.6233 |
| (B) | Public Shareholding   |         |       |         |          |         |       |         |          |          |
| [1] | Institutions  |         |       |         |          |         |       |         |          |          |
| (a) | Mutual Funds / UTI  | 0       | 15800 | 15800   | '0.1505  | 0       | 15800 | 15800   | '0.1505  | '0.0000  |
| (b) | Venture Capital Funds   | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (c) | Alternate Investment Funds  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (d) | Foreign Venture Capital Investors   | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (e) | Foreign Portfolio Investor  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (f) | Financial Institutions / Banks  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (g) | Insurance Companies   | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (h) | Provident Funds/ Pension Funds  | 0       | 0     | 0       | '0.0000  | 0       | 0     | 0       | '0.0000  | '0.0000  |
| (i) | Any Other (Specify)   |         |       |         |          |         |       |         |          |          |
|     | Foreign Financial Institution   | 0       | 36300 | 36300   | '0.3457  | 0       | 36300 | 36300   | '0.3457  | '0.0000  |
|     | Sub Total (B)(1)  | 0       | 52100 | 52100   | '0.4962  | 0       | 52100 | 52100   | '0.4962  | '0.0000  |
| [2] | Central Government/ State Government(s)/ President of India               |         |       |         |          |         |       |         |          |          |

## B) Shareholding of Promoter

| 21st Century Management Services Limited |                       |  |                                  |   |  |                                  |   |  |
|--|-----------------------|--|----------------------------------|---|--|----------------------------------|---|--|
| Sr No                                    | Shareholder's Name    | Shareholding at the beginning of the year - 2018 |                                  |   | Shareholding at the end of the year - 2019 |                                  |   | % change in shareholding during the year |
|  |                       | NO.OF SHARES HELD                                | % of total Shares of the company | % of Shares Pledged /encumbered to total shares | NO.OF SHARES HELD                          | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |  |
| 1  | SUNDAR IYER           | 3767280  | '35.8789                         | '0.0000   | 4212730                                    | '40.1212                         | '0.0000   | '4.2423                                  |
| 2  | SIDDHARTH IYER        | 523000   | '4.9810                          | '0.0000   | 523000                                     | '4.9810                          | '0.0000   | '0.0000                                  |
| 3  | EBRAHIM Y RANGOONWALA | 187523   | '1.7859                          | '0.0000   | 187523                                     | '1.7859                          | '0.0000   | '0.0000                                  |
| 4  | VANAJA SUNDAR IYER    | 150000   | '1.4286                          | '0.0000   | 820000                                     | '7.8095                          | '0.0000   | '6.3809                                  |
| 5  | KRISHNAN M            | 43700  | '0.4162                          | '0.0000   | 43700                                      | '0.4162                          | '0.0000   | '0.0000                                  |
| 6  | SHRIDHAR P IYER       | 12250  | '0.1167                          | '0.0000   | 12250                                      | '0.1167                          | '0.0000   | '0.0000                                  |
|  | Total                 | 4683753  | '44.6072                         | '0.0000   | 5799203                                    | '55.2305                         | '0.0000   | '10.6233                                 |


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

| Sr No. | Name & Type of Transaction   | Shareholding at the beginning of the year - 2018 |                                  | Transactions during the year |               | Cumulative Shareholding at the end of the year - 2019 |                                  |
|--------|------------------------------|--|----------------------------------|------------------------------|---------------|---|----------------------------------|
|        |                              | NO.OF SHARES HELD                                | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION          | NO. OF SHARES | NO OF SHARES HELD                                     | % OF TOTAL SHARES OF THE COMPANY |
| 1      | <b>SUNDAR IYER</b>           | 3767280  | 35.8789                          |                              |               | 3767280   | 35.8789                          |
|        | Transfer                     |  |                                  | 27 Apr 2018                  | 116968        | 3884248   | 36.9928                          |
|        | Transfer                     |  |                                  | 04 May 2018                  | 328482        | 4212730   | 40.1212                          |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 4212730   | 40.1212                          |
| 2      | <b>VANAJA SUNDAR IYER</b>    | 150000   | 1.4286                           |                              |               | 150000  | 1.4286                           |
|        | Transfer                     |  |                                  | 13 Apr 2018                  | 670000        | 820000  | 7.8095                           |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 820000  | 7.8095                           |
| 3      | <b>SIDDHARTH IYER</b>        | 523000   | 4.9810                           |                              |               | 523000  | 4.9810                           |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 523000  | 4.9810                           |
| 4      | <b>EBRAHIM Y RANGOONWALA</b> | 187523   | 1.7859                           |                              |               | 187523  | 1.7859                           |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 187523  | 1.7859                           |
| 5      | <b>KRISHNAN M</b>            | 43700  | 0.4162                           |                              |               | 43700   | 0.4162                           |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 43700   | 0.4162                           |
| 6      | <b>SHRIDHAR P IYER</b>       | 12250  | 0.1167                           |                              |               | 12250   | 0.1167                           |
|        | AT THE END OF THE YEAR       |  |                                  |                              |               | 12250   | 0.1167                           |

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

| 21st Century Management Services Limited |                              |  |                                  |                              |               |   |                                  |
|--|------------------------------|--|----------------------------------|------------------------------|---------------|---|----------------------------------|
| Sr No.                                   | Name & Type of Transaction   | Shareholding at the beginning of the year - 2018 |                                  | Transactions during the year |               | Cumulative Shareholding at the end of the year - 2019 |                                  |
|  |                              | NO.OF SHARES HELD                                | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION          | NO. OF SHARES | NO OF SHARES HELD                                     | % OF TOTAL SHARES OF THE COMPANY |
| 1  | <b>SUNDAR IYER</b>           | 3767280  | 35.8789                          |                              |               | 3767280   | 35.8789                          |
|  | Transfer                     |  |                                  | 27 Apr 2018                  | 116968        | 3884248   | 36.9928                          |
|  | Transfer                     |  |                                  | 04 May 2018                  | 328482        | 4212730   | 40.1212                          |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 4212730   | 40.1212                          |
| 2  | <b>VANAJA SUNDAR IYER</b>    | 150000   | 1.4286                           |                              |               | 150000  | 1.4286                           |
|  | Transfer                     |  |                                  | 13 Apr 2018                  | 670000        | 820000  | 7.8095                           |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 820000  | 7.8095                           |
| 3  | <b>SIDDHARTH IYER</b>        | 523000   | 4.9810                           |                              |               | 523000  | 4.9810                           |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 523000  | 4.9810                           |
| 4  | <b>EBRAHIM Y RANGOONWALA</b> | 187523   | 1.7859                           |                              |               | 187523  | 1.7859                           |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 187523  | 1.7859                           |
| 5  | <b>KRISHNAN M</b>            | 43700  | 0.4162                           |                              |               | 43700   | 0.4162                           |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 43700   | 0.4162                           |
| 6  | <b>SHRIDHAR P IYER</b>       | 12250  | 0.1167                           |                              |               | 12250   | 0.1167                           |
|  | AT THE END OF THE YEAR       |  |                                  |                              |               | 12250   | 0.1167                           |



|    |   |        |        |             |          |        |        |
|----|---|--------|--------|-------------|----------|--------|--------|
|    | Transfer  |        |        | 28 Dec 2018 | 72484    | 72484  | 0.6903 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 72484  | 0.6903 |
| 7  | <b>MUKESH AGARWAL</b>                             | 52798  | 0.5028 |             |          | 52798  | 0.5028 |
|    | Transfer  |        |        | 04 May 2018 | (1298)   | 51500  | 0.4905 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 51500  | 0.4905 |
| 8  | <b>JAGANNATH D DEVADIGA</b>                       | 50680  | 0.4827 |             |          | 50680  | 0.4827 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 50680  | 0.4827 |
| 9  | <b>PAULASTYA SACHDEV</b>                          | 0      | 0.0000 |             |          | 0      | 0.0000 |
|    | Transfer  |        |        | 22 Mar 2019 | 50000    | 50000  | 0.4762 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 50000  | 0.4762 |
| 10 | <b>AAKASH 21ST CENTURY SECURITIES PVT LTD</b>     | 50000  | 0.4762 |             |          | 50000  | 0.4762 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 50000  | 0.4762 |
| 11 | <b>CARRON INVESTMENTS PVT LTD</b>                 | 369104 | 3.5153 |             |          | 369104 | 3.5153 |
|    | Transfer  |        |        | 06 Apr 2018 | (35000)  | 334104 | 3.1819 |
|    | Transfer  |        |        | 27 Apr 2018 | (50000)  | 284104 | 2.7058 |
|    | Transfer  |        |        | 08 Jun 2018 | (284104) | 0      | 0.0000 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 0      | 0.0000 |
| 12 | <b>ANTIQUE STOCK BROKING LIMITED</b>              | 204000 | 1.9429 |             |          | 204000 | 1.9429 |
|    | Transfer  |        |        | 07 Jan 2019 | (204000) | 0      | 0.0000 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 0      | 0.0000 |
| 13 | <b>CHARTERED CAPITAL RESEARCH PRIVATE LIMITED</b> | 172484 | 1.6427 |             |          | 172484 | 1.6427 |
|    | Transfer  |        |        | 27 Apr 2018 | (100000) | 72484  | 0.6903 |
|    | Transfer  |        |        | 07 Dec 2018 | (72484)  | 0      | 0.0000 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 0      | 0.0000 |
| 14 | <b>SI INVESTMENT &amp; BROKING PRIVATE LTD.,</b>  | 158600 | 1.5105 |             |          | 158600 | 1.5105 |
|    | Transfer  |        |        | 06 Apr 2018 | 511400   | 670000 | 6.3810 |
|    | Transfer  |        |        | 13 Apr 2018 | (670000) | 0      | 0.0000 |
|    | Transfer  |        |        | 20 Apr 2018 | 8056     | 8056   | 0.0767 |
|    | Transfer  |        |        | 27 Apr 2018 | (6656)   | 1400   | 0.0133 |
|    | Transfer  |        |        | 04 May 2018 | (1400)   | 0      | 0.0000 |
|    | Transfer  |        |        | 01 Jun 2018 | 250      | 250    | 0.0024 |
|    | Transfer  |        |        | 15 Jun 2018 | (250)    | 0      | 0.0000 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 0      | 0.0000 |
| 15 | <b>CHOICE EQUITY BROKING PRIVATE LIMITED</b>      | 93533  | 0.8908 |             |          | 93533  | 0.8908 |
|    | Transfer  |        |        | 06 Apr 2018 | (93533)  | 0      | 0.0000 |
|    | Transfer  |        |        | 27 Apr 2018 | 50000    | 50000  | 0.4762 |
|    | Transfer  |        |        | 04 May 2018 | (50000)  | 0      | 0.0000 |
|    | Transfer  |        |        | 05 Oct 2018 | 284104   | 284104 | 2.7058 |
|    | Transfer  |        |        | 28 Dec 2018 | (72484)  | 211620 | 2.0154 |
|    | Transfer  |        |        | 22 Mar 2019 | (211522) | 98     | 0.0009 |
|    | Transfer  |        |        | 29 Mar 2019 | (98)     | 0      | 0.0000 |
|    | AT THE END OF THE YEAR                            |        |        |             |          | 0      | 0.0000 |



|    |                                 |       |        |             |         |       |        |
|----|---------------------------------|-------|--------|-------------|---------|-------|--------|
| 16 | <b>KOTAK SECURITIES LIMITED</b> | 79717 | 0.7592 |             |         | 79717 | 0.7592 |
|    | Transfer                        |       |        | 06 Apr 2018 | (76217) | 3500  | 0.0333 |
|    | Transfer                        |       |        | 13 Apr 2018 | (3500)  | 0     | 0.0000 |
|    | Transfer                        |       |        | 20 Apr 2018 | 682     | 682   | 0.0065 |
|    | Transfer                        |       |        | 27 Apr 2018 | (502)   | 180   | 0.0017 |
|    | Transfer                        |       |        | 04 May 2018 | (180)   | 0     | 0.0000 |
|    | Transfer                        |       |        | 20 Jul 2018 | 50      | 50    | 0.0005 |
|    | Transfer                        |       |        | 27 Jul 2018 | 50      | 100   | 0.0010 |
|    | Transfer                        |       |        | 03 Aug 2018 | 850     | 950   | 0.0090 |
|    | Transfer                        |       |        | 10 Aug 2018 | (750)   | 200   | 0.0019 |
|    | Transfer                        |       |        | 17 Aug 2018 | 101     | 301   | 0.0029 |
|    | Transfer                        |       |        | 24 Aug 2018 | (301)   | 0     | 0.0000 |

- Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 10500000 Shares  
 2. The details of holding has been clubbed based on PAN.  
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

#### E) Shareholding of Directors and Key Managerial Personnel:

| SNNo. | <b>SUNDAR IYER</b>                     | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-------|--|---|----------------------------------|---|----------------------------------|
|       |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1     |  |   |                                  |   |                                  |
|       | At the beginning of the year           | 3767280                                   | 35.8789                          |   |                                  |
|       | TRANSACTIONS DURING THE YEAR PURCHASES |   |                                  | 445450                                  | 4.2423                           |
|       | At the end of the year                 |   |                                  | 4212730                                 | 40.1212                          |

| SNNo. | <b>KRISHNAN MUTHUKUMAR</b>      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-------|---------------------------------|---|----------------------------------|---|----------------------------------|
|       |                                 | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 2     |                                 |   |                                  |   |                                  |
|       | At the beginning of the year    | 43700                                     | 0.4162                           |   |                                  |
|       | NO TRANSACTIONS DURING THE YEAR |   |                                  |   |                                  |
|       | At the end of the year          |   |                                  | 43700                                   | 0.4162                           |



**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs. In lakhs

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | 110.98                           | Nil             | Nil      | 110.98             |
| ii) Interest due but not paid                              | Nil                              | Nil             | Nil      | Nil                |
| iii) Interest accrued but not due                          | Nil                              | Nil             | Nil      | Nil                |
| <b>Total (i+ii+iii)</b>                                    | 110.98                           | Nil             | Nil      | 110.98             |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| * Addition   | Nil                              | Nil             | Nil      | Nil                |
| * Reduction  | (110.98)                         | Nil             | Nil      | (110.98)           |
| <b>Net Change</b>  | (110.98)                         | Nil             | Nil      | (110.98)           |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | Nil                              | Nil             | Nil      | Nil                |
| ii) Interest due but not paid                              | Nil                              | Nil             | Nil      | Nil                |
| iii) Interest accrued but not due                          | Nil                              | Nil             | Nil      | Nil                |
| <b>Total (i+ii+iii)</b>                                    | Nil                              | Nil             | Nil      | Nil                |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration   | Name of MD/WTD/ Manager |     |     |     | Total Amount |
|-----|---|-------------------------|-----|-----|-----|--------------|
|     |   |                         |     |     |     |              |
| 1   | Gross salary  | Nil                     | Nil | Nil | Nil | Nil          |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil                     | Nil | Nil | Nil | Nil          |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil                     | Nil | Nil | Nil | Nil          |
|     | (c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961            | Nil                     | Nil | Nil | Nil | Nil          |
| 2   | Stock Option  | Nil                     | Nil | Nil | Nil | Nil          |
| 3   | Sweat Equity  | Nil                     | Nil | Nil | Nil | Nil          |
| 4   | Commission - as % of profit - others, specify...                                    | Nil                     | Nil | Nil | Nil | Nil          |
| 5   | Others, please specify  | Nil                     | Nil | Nil | Nil | Nil          |
|     | Total (A)   | Nil                     | Nil | Nil | Nil | Nil          |
|     | Ceiling as per the Act  |                         |     |     |     |              |

### B. Remuneration to other directors

| SN. | Particulars of Remuneration                        | Name of the Directors |                     |                 |              |                | Total Amount  |
|-----|--|-----------------------|---------------------|-----------------|--------------|----------------|---------------|
|     |  | Sundar Iyer           | Krishnan Muthukumar | Vishwanath Iyer | S. Hariharan | Dipti D Sakpal |               |
| 1   | <b>Independent Directors</b>                       |                       |                     |                 |              |                |               |
|     | Fee for attending board & committee meetings       |                       |                     | 63000           | 63000        | 45000          | 171000        |
|     | Commission   |                       |                     |                 |              |                |               |
|     | Others, please specify                             |                       |                     |                 |              |                |               |
|     | Total (1)  |                       |                     | 63000           | 63000        | 45000          | 171000        |
| 2   | <b>Other Executive and Non-Executive Directors</b> |                       |                     |                 |              |                |               |
|     | Fee for attending board committee meetings         | 48000                 | 36000               |                 |              |                | 84000         |
|     | Commission   |                       |                     |                 |              |                |               |
|     | Others, please specify                             |                       |                     |                 |              |                |               |
|     | Total (2)  | 48000                 | 36000               |                 |              |                | 84000         |
|     | Total (B)=(1+2)                                    |                       |                     |                 |              |                |               |
|     | <b>Total Managerial Remuneration</b>               | <b>48000</b>          | <b>36000</b>        | <b>63000</b>    | <b>63000</b> | <b>45000</b>   | <b>255000</b> |
|     | Overall Ceiling as per the Act                     |                       |                     |                 |              |                |               |



## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SN | Particulars of Remuneration   | Key Managerial Personnel |         |         |         |
|----|---|--------------------------|---------|---------|---------|
|    |   | CEO                      | CS      | CFO     | Total   |
| 1  | Gross salary  |                          |         |         |         |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil                      | 1237500 | 1897500 | 3135000 |
|    | (b) Value of perquisites u/s 17(2) Income -tax Act, 1961                            | Nil                      | Nil     | Nil     | Nil     |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | Nil                      | Nil     | Nil     | Nil     |
| 2  | Stock Option  | Nil                      | Nil     | Nil     | Nil     |
| 3  | Sweat Equity  | Nil                      | Nil     | Nil     | Nil     |
| 4  | Commission  | Nil                      | Nil     | Nil     | Nil     |
|    | - as % of profit  | Nil                      | Nil     | Nil     | Nil     |
|    | others, specify...  | Nil                      | Nil     | Nil     | Nil     |
| 5  | Others, please specify  |                          |         |         |         |
|    | Total   | Nil                      | 1237500 | 1897500 | 3135000 |

## VII. 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) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |



## **ANNEXURE VII**

### **ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2018-19**

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]**

|  |  |
|--|--|
| <b>Brief outline of the Company's CSR policy, projects and programs proposed to be undertaken with web-link to CSR policy and projects or programs</b> | Company has identified projects in helping patients who require medical assistance and hospital facilities. Accordingly the company has spent funds under CSR activities during the financial year 2018 -19. |
| <b>Composition of the CSR Committee.</b>   | Mr. Sundar Iyer (Chairman of the committee)<br>Mr. Iyer Vishwanath<br>Mr. S. Hariharan   |
| <b>Average Net profits of the company for the last three financial year</b>  | Rs.264.90 lacs for the Financial Year 2018-19  |
| <b>Prescribed CSR expenditure (Two percent of the amount in item no. 3 above)</b>  | Rs. 5.30 lacs for the Financial Year 2018-19   |
| <b>Details of CSR Spent during the Financial Year</b>  | Rs. Nil  |

#### **Manner in which the amount was spent during the financial year ended 31.03.2018**

The company did not spend any amount during this financial year 2018-19

In case the company has failed to spend the two percent 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 could not spend any amount provided under CSR activities for the Financial Year 2018-19 as suitable projects could not be identified. The company has provided the amount of Rs.5.30 lacs during the FY 2018-19 and would be spending the amount during the next financial year 2019-20.

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.

As per the policy the company has spent the required and provided amount under CSR Obligations, in the previous financial years.

Sd/-  
Chairman





## Annexure VIII - Corporate Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandate the formulation of certain policies for all listed companies. The following policies are available on the Company's Website at [www.tcms.bz](http://www.tcms.bz) under Investors News > Corporate Information > Policies.

1. CODE OF CONDUCT FOR INSIDER TRADING AND CORPORATE DISCLOSURE PRACTICES
2. ANNEXURES TO CODE OF CONDUCT AND CORPORATE DISCLOSURES
3. CODE OF CONDUCT FOR BOARD OF DIRECTORS
4. CODE OF CONDUCT FOR SENIOR MANAGEMENT
5. CORPORATE SOCIAL RESPONSIBILITY POLICY
6. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS
7. POLICY ON RELATED PARTY TRANSACTIONS
8. WHISTLE BLOWER POLICY
9. POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOS
10. POLICY ON PRESERVATION OF DOCUMENTS & ARCHIVAL
11. POLICY ON PROHIBITION, PREVENTION & REDRESSAL OF SEXUAL HARASSMENT
12. POLICY ON MATERIAL SUBSIDIARIES
13. POLICY ON CODE OF CONDUCT FOR PIT AMENDED W.E.F 3RD APRIL 2019

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## ANNEXURE - A

### MANAGEMENT DISCUSSION AND ANALYSIS

#### BUSINESS PERFORMANCE DURING THIS YEAR

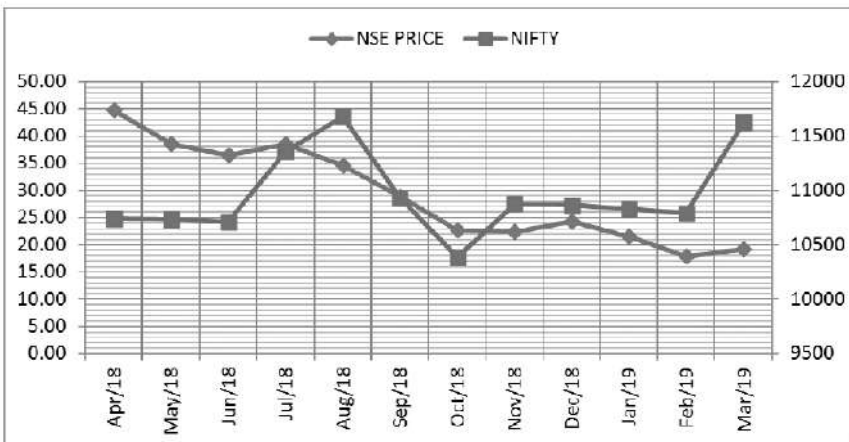
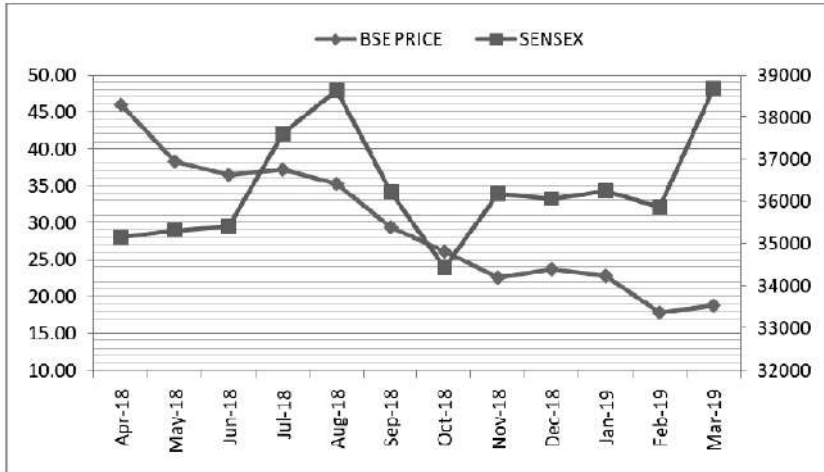
The company's performance during this financial year is given in the Directors' Report. We give below the performance and movement of the stock prices during this financial year 2018-19 in BSE & NSE in the table annexed.

| BSE    |       |       |       |       |
|--------|-------|-------|-------|-------|
| Month  | Open  | High  | Low   | Close |
| Apr-18 | 34.25 | 46.00 | 34.25 | 46.00 |
| May-18 | 46.90 | 47.40 | 38.35 | 38.35 |
| Jun-18 | 37.60 | 38.35 | 35.55 | 36.50 |
| Jul-18 | 36.55 | 37.20 | 33.00 | 37.20 |
| Aug-18 | 37.90 | 41.75 | 35.25 | 35.25 |
| Sep-18 | 34.55 | 34.55 | 29.40 | 29.40 |
| Oct-18 | 28.85 | 29.90 | 26.10 | 26.10 |
| Nov-18 | 25.60 | 25.60 | 22.60 | 22.60 |
| Dec-18 | 22.60 | 25.50 | 22.15 | 23.70 |
| Jan-19 | 24.15 | 25.05 | 22.80 | 22.80 |
| Feb-19 | 22.35 | 22.35 | 17.85 | 17.85 |
| Mar-19 | 18.20 | 19.15 | 17.50 | 18.80 |

| NSE    |       |       |       |       |
|--------|-------|-------|-------|-------|
| Month  | Open  | High  | Low   | Close |
| Apr-18 | 36.30 | 44.70 | 35.00 | 44.70 |
| May-18 | 45.55 | 46.45 | 36.90 | 38.50 |
| Jun-18 | 38.50 | 38.90 | 35.00 | 36.45 |
| Jul-18 | 36.60 | 38.55 | 33.00 | 38.55 |
| Aug-18 | 38.55 | 42.45 | 34.65 | 34.65 |
| Sep-18 | 34.50 | 35.00 | 28.85 | 28.85 |
| Oct-18 | 28.85 | 28.85 | 22.70 | 22.70 |
| Nov-18 | 22.25 | 24.50 | 22.00 | 22.40 |
| Dec-18 | 22.40 | 25.15 | 22.40 | 24.25 |
| Jan-19 | 24.25 | 24.30 | 21.35 | 21.55 |
| Feb-19 | 21.30 | 21.55 | 17.30 | 17.95 |
| Mar-19 | 17.95 | 19.60 | 17.40 | 19.25 |



The performance of the stock in BSE & NSE in comparison with the performance of the indices is given in the chart annexed below:





## **FUTURE PROSPECTS**

The future prospects for the Indian equity markets look extremely promising in the current backdrop of events in the Global financial markets. The euphoria in other emerging markets is likely to settle down soon as earnings have failed to catch up with the spectacular rise in the stock prices.

GDP growth of India is set to be around 6-7% for FY 2019 and is expected to improve higher with the stable and formidable government formation. The inflation rate is under control now at less than 4% and RBI is now targeting growth oriented monetary policies with infusion of strong liquidity.

It is further said private consumption, which has remained resilient, is also expected to get a fillip from public spending in rural areas and an increase in disposable incomes of households due to tax benefits. Business expectations continue to be optimistic.

With the European markets not performing as per expectations, Indian equity markets are looking attractively valued. The management is confident of a strong year ahead for the Indian Equity markets. This will augur well for the performance of your company, which largely depends on the direction of the stock market.

## **BUSINESS RISK MANAGEMENT**

The company is functioning under the dynamic leadership and guidance of the experienced CEO and hence the risks connected with the investments in equity market will be balanced. Further the Investment Committee will also assist to manage the risk in a prudent manner.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

All the investments related activities are done under the direct supervision of the Chairman of our company. Based on the nature of the business the Audit Committee has suggested formation of Investment Committee for the Financial Year 2018-19 and to lay down an Investment Policy. This will augur well for this financial year also.



Considering the size and nature of business the company has appointed an Internal Auditor for the company from the financial year 2016-17 to ensure proper and adequate systems and procedures commensurate with its size and nature of its business. Internal Auditors continue to monitor the operations and administration of the company.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour, the company continues to pursue a vigil mechanism policy framed during the financial year 2016-17.

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **DIRECTORS' AND COMMITTEE MEETINGS**

During the year Six (6) Board Meetings, Four (4) Audit Committee Meetings, Four (4) Stakeholders' Relationship and Investor Grievances Committee Meetings, One Meeting of Corporate Social Relationship Committee, One Meeting of Nomination and Remuneration Committee, One Meeting of Directors other than Independent Directors for evaluation of performance of Independent Directors and One Meeting of Independent Directors for evaluation of performance of other Directors was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

## **AUDIT COMMITTEE**

The company is having an audit committee comprising of the following directors:

Shri Iyer Vishwanath - Chairman - Non Executive & Independent Director

Shri Sundar Iyer - Member- Executive Director

Ms. Dipti Dinesh Sakpal - Member - Non Executive & Independent Director

**Note:** The Committee is reconstituted on 16th April 2019 on account of the retirement of Independent Director Mr. S.Hariharan (on 31st March 2019).



## **Stakeholders/Investors Grievance and Share Transfer Committee**

The company is having a Stakeholders/Investors Grievance and Share Transfer Committee comprising of the following directors:

Shri Iyer Vishwanath - Chairman - Non Executive & Independent Director  
Shri Krishnan Muthukumar - Member - Non Executive Director  
Ms. Dipti Dinesh Sakpal - Member - Non Executive & Independent Director

**Note:** The Committee is reconstituted on 16th April 2019 on account of the retirement of Independent Director Mr. S.Hariharan (on 31st March 2019).

## **NOMINATION AND REMUNERATION COMMITTEE**

The company is having a Nomination and Remuneration Committee comprising of the following directors:

Shri Iyer Vishwanath - Chairman - Non Executive & Independent Director  
Shri Krishnan Muthukumar - Member - Non - Executive Director  
Ms. Dipti Dinesh Sakpal - Member - Non Executive & Independent Director

**Note:** The Committee is reconstituted on 16th April 2019 on account of the retirement of Independent Director Mr. S.Hariharan (on 31st March 2019).

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The company is having a Corporate Social Responsibility Committee comprising of the following directors:

Shri Sundar Iyer- Chairman - Executive Director  
Shri Iyer Vishwanath - Member - Non Executive & Independent Director  
Ms. Dipti Dinesh Sakpal - Member - Non Executive & Independent Director

**Note:** The Committee is reconstituted on 16th April 2019 on account of the retirement of Independent Director Mr. S.Hariharan (on 31st March 2019).

## **RELATED PARTY TRANSACTIONS**

As per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulation 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.tcms.bz](http://www.tcms.bz).

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically



deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

All Related Party Transactions are placed before the Audit Committee as well as Board for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/ or entered in the Ordinary Course of Business and are at Arm's Length.

There were no contract / arrangement / transactions entered in to during the year ended March 31, 2019 which were not at arm's length basis.

All the material related party transitions exceeding ten percent of the annual consolidated turnover as per the last audited financial statement were entered during the year by the company are disclosed in accordance with section 134 (3) (h) of the Companies Act, 2013, in form AOC 2 as per Annexure "2" of this report.

## **CORPORATE GOVERNANCE**

As per the provisions of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report.

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## ANNEXURE - B

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's Philosophy on Corporate Governance

The Company defines Corporate Governance as a systematic process by which companies are directed and controlled to enhance their wealth generating capacity. Since large corporations employ vast quantum of social resources, we believe that the governance process should ensure that these companies are managed in a manner that meets stakeholders' aspirations and social expectations.

The basic objective of corporate governance policies adopted by the company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also goes beyond them by putting into place procedures and systems, which are in accordance with best practice of governance. Your company believes that good corporate governance enhance the trust and confidence of all the stakeholders. Good practice in corporate behavior helps to enhance and maintain public trust in companies and stock market.

#### 2. Board of Directors

##### Composition and category of Board of Directors.

The Board of Directors of the company comprises of Executive Chairman, a Non-executive Director and three Independent (Non-Executive) Directors, including a WOMAN DIRECTOR.

- |                             |                          |
|-----------------------------|--------------------------|
| 1. SHRI SUNDAR IYER         | - CHAIRMAN & CEO         |
| 2. SHRI KRISHNAN MUTHUKUMAR | - NON-EXECUTIVE DIRECTOR |
| 3. SHRI S. HARIHARAN        | - INDEPENDENT DIRECTOR   |
| 4. SHRI IYER VISHWANATH     | - INDEPENDENT DIRECTOR   |
| 5. Ms. DIPTI D SAKPAL       | - INDEPENDENT DIRECTOR   |

#### CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Ms. Lakshmi Subramanian of M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / MCA or any such statutory authority. The certificate is given below:



**Lakshmmi Subramanian & Associates**

LAKSHMMI SUBRAMANIAN, B.Com., FCS  
P.S. SRINIVASAN, B.A., LL.B., A.C.S  
S. SWETHA, B.Com., ACS  
Practising Company Secretaries

Date: 22<sup>nd</sup> May, 2019

To,  
**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**  
No.67,Old No.28-A,Door No.G-3  
Eldams Road, Alwarpet  
Chennai 600018

**Certificate under Schedule V, Clause C (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, Lakshmmi Subramanian and Associates, Practising Company Secretaries, do hereby confirm that none of the Directors on the Board of Twentyfirst Century Management Services Limited were debarred or disqualified from being appointed or continuing as a Director of the Company for the year ended 31<sup>st</sup> March, 2019, by the Securities Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

For Lakshmmi Subramanian and Associates



Lakshmmi Subramanian

CP No. 3534

FCS No.: 1087

Place: Chennai



## Attendance at the Board Meetings and Annual General Meeting are as under:

### Dates of Board Meeting

During the financial year 2018-19, Six (6) meetings were held on the following dates:

16th May 2018, 6th June 2018, 19th July 2018, 10th October 2018, 14th November 2018 and 31st January 2019.

### The last Annual General Meeting was held on 12th July 2018.

The Board comprises of three independent directors out of present strength of five directors. Composition, attendance of each director at the Board Meetings and at the last AGM and the number of other directorship, committee memberships are set out below:

| Name                    | Category                                 | No. of Board Meeting attended | Attendance at the last AGM | Directorship in other Companies | Other Companies Committee Chairmanships | Other Companies Committee Memberships |
|-------------------------|--|-------------------------------|----------------------------|---------------------------------|---|---------------------------------------|
| Mr. Sundar Iyer         | Chairman Executive Director              | 6                             | Yes                        | 5                               | 0                                       | 1                                     |
| Mr. Iyer Vishwanath     | Independent Non - executive Director     | 6                             | Yes                        | 2                               | 2                                       | 0                                     |
| Mr. S. Hariharan        | Independent Non-executive Director       | 6                             | Yes                        | Nil                             | Nil                                     | Nil                                   |
| Mr. Krishnan Muthukumar | Non-Executive Non Independent Director   | 6                             | No                         | 7                               | Nil                                     | 1                                     |
| Ms. Dipti D. Sakpal     | Independent Non-Executive Woman Director | 6                             | No                         | 1                               | Nil                                     | 2                                     |



## Board Committees:

### A. Audit Committee

#### Charter

The primary object of Audit Committee of the company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

#### Composition

The company derived immense benefit from the deliberation of audit committee comprising of the following directors of the company:

| <b>Name</b>         | <b>Category of membership</b>                 |
|---------------------|---|
| Mr. Iyer Vishwanath | Chairman - Non-Executive Independent Director |
| Mr. S. Hariharan    | Member- Non-Executive Independent Director    |
| Mr. Sundar Iyer     | Member - Executive Director                   |

Chairman is a Non-Executive Independent Director.

The major terms of reference of this committee are as under:

- ♦ Reviewing with management, the financial statements before submission of the same to the Board
- ♦ Overseeing of company's financial reporting process and disclosures of its financial information.
- ♦ Reviewing the adequacy of the internal audit function.
- ♦ Recommendation for appointment and fixing remuneration of statutory auditors.
- ♦ Reviewing the reports furnished by the statutory auditors and ensuring suitable follow up thereon.



## MEETING AND ATTENDANCE OF THE COMMITTEE

During the financial year four Audit Committee meetings were held on the following dates, 16th May 2018, 18th July 2018, 13th November 2018 and 30th January 2019. The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges.

The Audit Committee in its meeting held on 13th November 2018 approved and recommended the appointment of Mr. Karthik Sundar Iyer as Chief Administrative Officer (CAO) on contract basis for a period of one year with effect from 1st December 2018 on a monthly remuneration of Rs.100000/-. The approval of the Committee for the appointment of Mr. Karthik Sundar Iyer was required, as Mr. Karthik Sundar Iyer is the son of CEO of the company Shri Sundar Iyer. (Appointment of Relative for the office of profit)

The Audit Committee in its meeting held on 16th May 2018 approved and recommended the continuation of the trading account with M/s SI INVESTMENT AND BROKING PRIVATE LIMITED (Member of NSE & BSE) for executing purchase and sale orders in Equity & Derivatives Segments on terms and conditions as set out the documents for opening the account, which are in the ordinary course of business. Shri Sundar Iyer is a shareholder in M/s SI INVESTMENT AND BROKING PRIVATE LIMITED and his family members are the directors in the company. This was further approved by the members of the company in the AGM held on 12th July 2018 as an abundant precautionary measure.

**The attendance of directors at the Audit Committee meetings held during the year 2018-19 is given below:**

| Name               | Category of membership | Meetings held | Meetings attended |
|--------------------|------------------------|---------------|-------------------|
| Mr.Iyer Vishwanath | Chairman               | 4             | 4                 |
| Mr. S. Hariharan   | Member                 | 4             | 4                 |
| Mr. Sundar Iyer    | Member                 | 4             | 4                 |

## B. STAKEHOLDERS' RELATIONSHIP /INVESTORS GRIEVANCE AND SHARE TRANSFER COMMITTEE

### Meeting and Attendance of the Committee

During the financial year, Four (4) Stakeholders' Relationship Committee meetings were held on the following dates - 16th May 2018, 18th July 2018, 13th November 2018 and 30th January 2019. The terms of reference of the Stakeholders' Relationship Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges.



**The attendance of directors at the Stakeholders/Investors Grievance and Share Transfer Committee meetings held during the year 2018-19 is given below:**

| <b>Name</b>         | <b>Category of membership</b>               | <b>Meetings held</b> | <b>Meetings attended</b> |
|---------------------|---|----------------------|--------------------------|
| Mr. S. Hariharan    | Chairman-Non-Executive Independent Director | 4                    | 4                        |
| Ms. Dipti D. Sakpal | Member-Non- Executive Independent Director  | 4                    | 4                        |
| Mr. Iyer Vishwanath | Member -Non- Executive Independent Director | 4                    | 4                        |

Chairman of the Committee is a non-executive director.

## **TERMS OF REFERENCE**

The shareholders/investor grievances committee specifically looks into redressing of shareholder's and investor's complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividend, conversion of shares and to ensure expeditious share transfers.

## **MEETING AND ATTENDANCE OF THE COMMITTEE**

The Committee oversees the performance of share transfer and recommends measures to improve the shareholders/investors service. The said committee met four (4) times during the financial year 2018-19. The Company Secretary is the Compliance Officer.

The Committee has also noted that the shareholding in dematerialised mode as on 31st March 2019 was 90.00% (89.87% as of 31st March 2018).

## **SHAREHOLDERS QUERIES RECEIVED AND REPLIED IN 2018-19**

During the financial year 2018-19, only Three (3) complaints were received from shareholders and were replied / redressed to the satisfaction of the investors. There are no complaints pending as on date of this report. There were no share transfers pending registration as at 31st March 2019.



## SEBI COMPLAINTS REDERESS SYSTEM (SCORES)

The Investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are:

Centralised database of all complaints

Online upload of Action Taken Reports (ATRs) by the concerned companies

Online viewing by the investors of action taken on the complaints and its current status.

## DESIGNATED EXCLUSIVE EMAIL ID

The Company has also provided separate E-mail ID: investors@tcms.bz exclusively for investor servicing.

## C. NOMINATION AND REMUNERATION COMMITTEE

During the financial year one Nomination and Remuneration Committee meeting was held on 13th November 2018. During this meeting the Committee recommended the appointment of Mr. Karthik Sundar Iyer as Chief Administrative Officer (CAO) on contract basis for a period of one year with effect from 1st December 2018 on a monthly remuneration of Rs.100000/-. The terms of reference of the Nomination and Remuneration Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges.

**The attendance of directors at the Nomination and Remuneration Committee meeting held during the year 2018-19 is given below:**

| <b>Name</b>             | <b>Category of membership</b>                  | <b>Meetings held</b> | <b>Meetings attended</b> |
|-------------------------|--|----------------------|--------------------------|
| Mr. Iyer Vishwanath     | Chairman -Non-Executive Independent Director - | 1                    | 1                        |
| Mr. S. Hariharan        | Member-Non-Executive Independent Director      | 1                    | 1                        |
| Mr. Krishnan Muthukumar | Member-Non-Executive Director                  | 1                    | 1                        |



Chairman of the Committee is a non-executive director.

## **TERMS OF REFERENCE**

### **FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

#### **1. Criteria of selection of Non-Executive Directors**

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of Investments in Capital and Debt Market, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

d. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **2. Remuneration**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- I. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;



- II. The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- III. The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;
- IV. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

## **B. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

During the financial year One (1) Corporate Social Relationship Committee meeting was held on 30th January 2019. The terms of reference of the Corporate Social Relationship Committee are as per the guidelines set out in the Listing Agreements with the Stock Exchanges.

The attendance of directors at the Corporate Social Responsibility Committee meeting held during the year 2018-19 is given below:

| <b>Name</b>         | <b>Category of Membership</b>               | <b>Meetings held</b> | <b>Meetings attended</b> |
|---------------------|---|----------------------|--------------------------|
| Mr. Sundar Iyer     | Chairman -Member-Executive Director         | 1                    | 1                        |
| Mr. Iyer Vishwanath | Member - Non-Executive Independent Director | 1                    | 1                        |
| Mr. S. Hariharan    | Member - Non-Executive Independent Director | 1                    | 1                        |

Chairman of the Committee is a non-executive director.

### **Terms of reference**

During the financial year 2018-19, the company has made a provision of Rs.5.30 lacs for spending under the Corporate Social Responsibility (CSR) activities. Your Company knows the importance of Corporate Social Responsibility (CSR) activities of the company under the provisions of the Companies Act, 2013. A committee has been formed under the chairmanship of Mr. Sundar Iyer Chairman of the company. The Committee could not identify proper activity for spending under CSR activities and would be spending the amount provided, during the financial year 2019-20.

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

A certificate obtained from the Auditors of the company on the Compliance of Corporate Governance is enclosed as Annexure IV





## **EVALUATION OF DIRECTORS BY INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors met on 30th March 2019, inter alia to:

- i. Review the performance of non-independent directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **EVALUATION OF INDEPENDENT DIRECTORS BY DIRECTORS' MEETING**

During the year under review, the Directors (other than Independent Directors) met on 30th March 2019, inter alia to:

- i. Review the performance of the independent directors of the company, taking into account the views of executive directors and non-executive directors;
- ii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

SEBI (Prohibition of Insider Trading) Regulations are applicable to all Listed Company and it mandates every listed company to formulate a code of conduct to regulate, monitor and report trading by its employees and other "connected persons" (as defined under the Regulations) towards achieving compliance with these Regulations and enforce a code of internal conduct and procedures based on the model code provided therein.

Hence, accordingly this policy is framed and amended considering SEBI (Prohibition of Insider Trading) Regulations, 2015 with Amendments thereto i.e. SEBI (Prohibition of Insider Trading)(Amended) Regulations, 2018.

Further, SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 requires every listed Company, inter alia, to formulate a policy for determination of 'Legitimate purpose' as a part of this code formulated under regulation 8 of SEBI PIT Regulation. Accordingly, the Board of Directors has adopted this policy in their meeting held on 16TH April 2019 and this Code will be applicable from April 1, 2019.



One of the major change in the policy is with respect to the “CLOSURE OF TRADING WINDOW” for the designated and other connected persons in dealing with the shares of the company with effect from the first day of every quarter till 48 hours after the date of publication of financial results by the company.

## **DISCLOSURES**

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In accordance with requirement of Companies Act as well as listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Chairman of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the company.

Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

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The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

### **Compliance with Accounting Standards**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

The company as per the provisions of the SEBI (LODR) Regulations, 2015 have adopted the Indian Accounting Standards from the commencement of this financial year (i.e.,) 1st April 2017.

### **4. General Body Meetings**

The particulars of Annual General Meeting held during the last three years are as under:

| Year    | Location   | Date       | Time      |
|---------|--|------------|-----------|
| 2015-16 | Asha Nivas, No.9, Rutland gate, 5 <sup>th</sup> Street, Chennai-600 006. | 27/12/2016 | 3.30 P.M. |
| 2016-17 | Asha Nivas, No.9, Rutland gate, 5 <sup>th</sup> Street, Chennai-600 006. | 28/09/2017 | 4.00 P.M  |
| 2017-18 | Asha Nivas, No.9, Rutland gate, 5 <sup>th</sup> Street, Chennai-600 006. | 12/07/2018 | 4.00 P.M  |

### **Special Resolution Passed in the Past three AGMs**

No Special Resolutions were passed in the AGMs held on 27th December 2016 and 28th September 2017.

In the AGM held on 12th July 2018, Special Resolution was passed for Approval of Related Party Transactions as Item no.V which is as under:

RESOLVED THAT pursuant to provisions of SEBI (LODR) Regulations, 2015 and of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded for transacting through M/s. SI BROKING AND INVESTMENTS LIMITED (Trading Member of National Stock Exchange of India Limited and Stock Exchange, Mumbai) (Associate of the company) as a business client for executing trades in CAPITAL MARKET SEGMENT AND



DERIVATIVES TRADING IN SHARES (F&O) through NSEIL and STOCK EXCHANGE, MUMBAI and which falls under the definition of material related party transaction during the financial year 2018-19, on the terms as briefly mentioned in the explanatory statement to this resolution.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction.”

### **Postal Ballot**

No Special resolutions were passed last year through Postal Ballot.

### **6. Means of Communication**

The annual, half-yearly and quarterly results are regularly submitted to the stock exchanges in accordance with the listing agreement and are published in Trinity Mirror (English) and Makkal Kural (Tamil) newspapers.

### **7. Management Discussions and Analysis Report**

Management Discussion and Analysis Report and the Corporate Governance report for the year forms a part of the Director Report.

### **8. General Shareholders Information**

#### **ANNUAL GENERAL MEETING**

The 33rd Annual General Meeting of the Company will be held on Monday, 15th July 2019 at 4.00 P.M. at Asha Nivas, No.9, Rutland gate, 5th street, Chennai-600 006.

#### **Financial calendar for the year 2018-2019 (Provisional)**

|   |                             |
|---|-----------------------------|
| Results for the first quarter ending 30 <sup>th</sup> June, 2019        | Second Week of August 2019  |
| Results for the second quarter ending 30 <sup>th</sup> September, 2019  | Fourth week of October 2019 |
| Results for the third quarter ending 31 <sup>st</sup> December, 2019    | Fourth week of January 2020 |
| Results for the fourth quarter ending 31 <sup>st</sup> March, 2020      | Third week of May 2020      |
| Annual General Meeting for the year ending 31 <sup>st</sup> March, 2020 | Third Week of July 2020     |



## **LISTING ON THE STOCK EXCHANGES**

The Equity shares of the Company are listed on the Bombay Stock Exchange and National Stock Exchange. The Company has paid annual listing fees to the respective stock exchanges.

**BSE Stock Code: 526921 -NSE Scrip Code: 21STCENMGM**

**Corporate Identity Number (CIN) of the Company:**

**L74210TN1986PLC012791**

## **MARKET PRICE DATA**

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### High/Low during each month in last financial year 2018-19 at the Bombay Stock Exchange Limited BSE)

| BSE    |       |       |       |       |
|--------|-------|-------|-------|-------|
| Month  | Open  | High  | Low   | Close |
| Apr-18 | 34.25 | 46.00 | 34.25 | 46.00 |
| May-18 | 46.90 | 47.40 | 38.35 | 38.35 |
| Jun-18 | 37.60 | 38.35 | 35.55 | 36.50 |
| Jul-18 | 36.55 | 37.20 | 33.00 | 37.20 |
| Aug-18 | 37.90 | 41.75 | 35.25 | 35.25 |
| Sep-18 | 34.55 | 34.55 | 29.40 | 29.40 |
| Oct-18 | 28.85 | 29.90 | 26.10 | 26.10 |
| Nov-18 | 25.60 | 25.60 | 22.60 | 22.60 |
| Dec-18 | 22.60 | 25.50 | 22.15 | 23.70 |
| Jan-19 | 24.15 | 25.05 | 22.80 | 22.80 |
| Feb-19 | 22.35 | 22.35 | 17.85 | 17.85 |
| Mar-19 | 18.20 | 19.15 | 17.50 | 18.80 |

### High/Low during each month in last financial year 2018-19 at the National Stock Exchange of India Limited NSEIL)

| NSE    |       |       |       |       |
|--------|-------|-------|-------|-------|
| Month  | Open  | High  | Low   | Close |
| Apr-18 | 36.30 | 44.70 | 35.00 | 44.70 |
| May-18 | 45.55 | 46.45 | 36.90 | 38.50 |
| Jun-18 | 38.50 | 38.90 | 35.00 | 36.45 |
| Jul-18 | 36.60 | 38.55 | 33.00 | 38.55 |
| Aug-18 | 38.55 | 42.45 | 34.65 | 34.65 |
| Sep-18 | 34.50 | 35.00 | 28.85 | 28.85 |
| Oct-18 | 28.85 | 28.85 | 22.70 | 22.70 |
| Nov-18 | 22.25 | 24.50 | 22.00 | 22.40 |
| Dec-18 | 22.40 | 25.15 | 22.40 | 24.25 |
| Jan-19 | 24.25 | 24.30 | 21.35 | 21.55 |
| Feb-19 | 21.30 | 21.55 | 17.30 | 17.95 |
| Mar-19 | 17.95 | 19.60 | 17.40 | 19.25 |

### REGISTRAR AND TRANSFER AGENTS

#### Link Intime India Pvt. Limited

C 101, 247 Park, L B S Marg, Vikhroli- West, Mumbai 400 083

Tel No: +91 22 49186000 Fax: +91 22 49186060

#### Address for communication

#### TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED

NO.67, OLD NO.28-A, DOOR NO.G-3, Eldams Road, Alwarpet, Chennai 600 018

Telephone - 0 44 42030149, FAX - 0 44 24328452



## SHARE TRANSFER SYSTEM

Presently the share transfer documents, which are received by the Company, are processed, approved and kept ready for dispatch within 15 days from the date of the receipt.

### Distribution of shareholding as on 31st March 2019

| Number of Shares - | Shareholders | %             | Shares           | %              |
|--------------------|--------------|---------------|------------------|----------------|
| 1-5000             | 4572         | 83.2029       | 6116300          | 5.8250         |
| 5001-10000         | 361          | 6.5696        | 3117190          | 2.9688         |
| 10001-20000        | 224          | 4.0764        | 3587130          | 3.4163         |
| 20001-30000        | 81           | 1.4741        | 2121470          | 2.0204         |
| 30001-40000        | 42           | 0.7643        | 1527150          | 1.4544         |
| 40001-50000        | 43           | 0.7825        | 2011100          | 1.9153         |
| 50001-100000       | 83           | 1.5105        | 6473440          | 6.1652         |
| Above 100000       | 89           | 1.6197        | 80046220         | 76.2345        |
| <b>Total</b>       | <b>5495</b>  | <b>100.00</b> | <b>105000000</b> | <b>100.000</b> |

### Shareholding pattern as on 31st March 2019

| Categories                                     | Number of shares | %             |
|--|------------------|---------------|
| Promoters, Directors, relatives and associates | 5799203          | 55.23         |
| Mutual Funds                                   | 15800            | 0.15          |
| FII's  | 36300            | 0.35          |
| Private Corporate Bodies                       | 695787           | 6.63          |
| Indian Public                                  | 3331040          | 31.72         |
| HUF  | 195525           | 1.86          |
| NRI's/OCB's                                    | 397015           | 3.78          |
| Clearing Members                               | 15713            | 0.15          |
| Market Maker                                   | 13617            | 0.13          |
| <b>Total</b>                                   | <b>10500000</b>  | <b>100.00</b> |



## Dematerialisation of shares

The equity shares of the company has been admitted for dematerialization with NSDL and CDSL, 90.00% (as against 89.87% as on 31st March 2018) of the company's paid up Equity share capital has been dematerialized as on 31st March 2019.

Under the Depository System the International Securities Identification number (ISIN) allotted to the Company's Shares is INE253B01015

## E-mail ID of Investor Grievance Redressal Cell

E-mail ID: investors@tcms.bz

## 9. TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (“IEPF”)

Pursuant to Section 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956 all unclaimed / unpaid dividend as applicable remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, were required to be transferred to IEPF. Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), both of which were applicable with effect from 7th September 2016, also contain similar provision for transfer of such amounts to the IEPF. Accordingly all unclaimed / unpaid dividend for a period of seven years from the date they became due for payment, in relation to the company have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the company for the amounts so transferred.

The following table gives information relating to outstanding dividend accounts and the dates by which they can be claimed by the shareholders.

| Financial Year | Date of Declaration | Last date for claiming unpaid dividend |
|----------------|---------------------|--|
| 2014 -2015     | 17th July 2015      | 16th July 2022                         |
| 2017 -2018     | 12th July 2018      | 11th July 2025                         |





## **10. GENERAL SHAREHOLDERS' INFORMATION:**

|   |                                     |  |
|---|-------------------------------------|--|
| 1 | AGM DATE, TIME AND VENUE            | 15 <sup>TH</sup> JULY 2019 AT 4.00 PM<br>ASHA NIVAS, NO.9, RUTLAND GATE<br>5TH STREET, CHENNAI - 600 006 |
| 2 | DATES OF BOOK CLOSURE               | 6 <sup>TH</sup> JULY 2019 TO 15 <sup>TH</sup> JULY 2019<br>(BOTH DAYS INCLUSIVE)                         |
| 3 | FINANCIAL YEAR                      | 2018-19  |
| 4 | ANNUAL RESULTS                      | 22 <sup>ND</sup> MAY 2019  |
| 5 | POSTING OF ANNUAL REPORTS           | 19 <sup>TH</sup> JUNE 2019   |
| 6 | LAST DATE OF RECEIPT OF PROXY FORMS | 48 HRS BEFORE AGM  |
| 7 | LISTING FEES                        | PAID TO ALL THE ABOVE STOCK EXCHANGES FOR THE YEAR 2018-19   |
| 8 | ADDRESS : REGISTERED OFFICE         | NO.67,OLD NO.28-A, DOOR NO.G-3.ELDAMS ROAD, ALWARPET, CHENNAI - 600 018                                  |
| 9 | ADDRESS : CORPORATE OFFICE          | 1ST FLOOR, GREASE HOUSE, ZAKARIA BUNDAR ROAD, SEWREE WEST, MUMBAI - 400 015                              |

## **11. Non-Mandatory Requirements**

a. Chairman of the Board: The Company maintains the office of the Chairman at its Corporate Office/Registered Office and also reimburses the expenses incurred in performance of duties.

b. The Board has duly constituted a Remuneration Committee under the Chairmanship of Mr. Iyer Vishwanath, which determines the remuneration package for Executive Directors.

c. Shareholder Rights: The quarterly financial results are regularly submitted to the stock exchanges.

d. Audit qualifications: The Company has qualified financial statements.

e. Training of Board members: Periodical meetings are held with skilled consultancy agencies for the Board members to apprise them of recent developments and existing laws and practices

f. Mechanism of evaluating Non-executive directors: Same as above.



g. Whistle Blower Policy: As mentioned earlier, the Company does not have a Whistle blower Policy.

### **DECLARATION IN COMPLIANCE WITH THE CODE OF CONDUCT**

This is to confirm that all the Board Members and the Senior Management have affirmed compliance with the Code of conduct for the year ended 31st March, 2019.

**For Twentyfirst Century Management Services Limited**  
**Sundar Iyer**  
**Chairman & CEO**

Place: Mumbai  
Date: 22nd May 2019

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## CEO/CFO CERTIFICATION

The Board of Directors

**Twentyfirst Century Management Services Limited**

Chennai

We, Sundar Iyer, Chief Executive Officer and Bhaskar Shetty, Chief Finance Officer of Twentyfirst Century Management Services Limited, on the basis of the review of the financial statements and cash flow statement for the year ended 31st March, 2019 and to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's Report and that to the best of our knowledge and belief.

a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2019 are fraudulent, illegal or violative of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.

4. We have indicated to the Auditors and the Audit Committee:

- ♦ there have been no significant changes in internal control over financial reporting during the year covered by this report.
- ♦ there have been no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- ♦ instances of significant fraud in the subsidiary company, of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Twentyfirst Century Management Services Ltd**

Place: Mumbai

Sundar Iyer

Bhaskar Shetty

Date: 22nd May 2019

**Chief Executive Officer    Chief Financial Officer**



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**

**REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS**

**Opinion**

We have audited the accompanying standalone IND AS financial statements of **TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “standalone Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Sr. No. | Key Audit Matters   |
|---------|---|
| 1.      | <p><b>Evaluation of uncertain tax Positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. (refer note 25 to the standalone financial statements.</p>   |
|         | <p><b>Auditor's Response:</b></p> <p>We have obtained the details of tax assessments &amp; demands for all the cases disputed from the Management. We involved our internal expertise to challenge the Management's underlying assumptions over the possible outcome of the disputes. We have also considered other rulings in evaluating the Management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 1st April, 2018 to evaluate whether any change was required on these uncertainties.</p> |

## Management's Responsibility for the Standalone 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 standalone IND AS financial statements that give a true and fair view of the financial position and financial performance Other comprehensive income cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the preparation 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.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone IND AS 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 there under.

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. 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 standalone IND AS financial statements.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs



will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- ♦ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ♦ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

Non Provision of Doubtful Loans & Advances amounting to Rs.2272.77 lacs advanced to its subsidiary company and Group Company.

We further report that, had the observation made by us above been considered, the loss for the year would have been Rs.1722.02 lacs (as against the reported profit figure of Rs.550.75 lacs) and loss after considering accumulated figures of previous years would have been Rs.46.62 lacs (as against reported figure of profit of Rs. 2226.15 Lacs) and the balance of amount due from subsidiary company and group company would have been Rs. Nil (as against the reported figure of Rs.2272.77 lacs).

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 & 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





(b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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, Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, our opinion, the aforesaid standalone IND AS 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 the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) In our opinion 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 has not disclosed the impact of pending litigations on its financial position in its financial statements.
- 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 required to be transferred to the Investor's Education and Protection fund

**For Lakhani & Lakhani**

Chartered Accountants

Firm Registration No. 115728W

**Suhas Shinde**

Partner

Membership No. 117107

Place: Mumbai

Date: 15th May, 2019



## "ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The fixed assets of the company have been physically verified by the Management during the year and no material discrepancies were noticed on such verification. In our opinion the verification is reasonable having regard to the size of the company and the nature of its assets.

As per the information and explanations provided to us, there are no immovable fixed assets in the name of the Company.

2. The company is primarily engaged in investing activities. Accordingly, it does not hold any physical inventories. Thus paragraph 4(ii) of the Order is not applicable to the company.

3. The company has granted interest free loans of Rs.2272.77 to the company listed in the register maintained under section 189 of the Companies Act 2013. But the said Loan advanced to subsidiary company and Group Company to the extent of Rs.2272.77 doubtful in recovery.

4. During the year under audit, 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. During the year under audit, the company has not accepted any deposits from the public to which the directives issued by Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.

6. We have been informed that Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in respect of any activities carried on by the company.

7. According to the information and explanations given to us, the company has been regular in depositing Employees Provident Fund dues and has also been regular in depositing undisputed income tax and other applicable statutory dues with appropriate authorities.



According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax as at 31st March, 2019 which have not been deposited on account of a dispute pending are as under:

| Name of Statute      | Nature of dispute | Amount (Rs. in lacs) | Period for which the amount relates | Forum where dispute is pending |
|----------------------|-------------------|----------------------|-------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income tax        | 4.81                 | A.Y 1995-96                         | ACIT                           |
| Income Tax Act, 1961 | Income tax        | 104.96               | A.Y 1996-97                         | ACIT                           |
| Income Tax Act, 1961 | Income tax        | 1.33                 | A.Y 2006-07                         | ACIT                           |
| Income Tax Act, 1961 | Income tax        | 55.45                | A.Y 2007-08                         | ITAT                           |
| Income Tax Act, 1961 | Income tax        | 68.69                | A.Y 2007-08                         | CIT-Appeal                     |
| Income Tax Act, 1961 | Income tax        | 4.57                 | A.Y 2010-11                         | ACIT                           |
| Income Tax Act, 1961 | Income tax        | 259.71               | A.Y 2014-15                         | ITO                            |
| Income Tax Act, 1961 | Income tax        | 22.74                | A.Y 2015-16                         | CIT – Appeal                   |

8. On the basis of records examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

9. According to the information and explanations given to us, the company has not raised any moneys by way of initial public offer or further public offer or any term loans during the year under review

10. To the best of our knowledge and belief and according to the information and explanations given to us we have not come across any fraud by the company or any fraud on the Company by its officers or employees during the course of our audit of the period under review.

11. During the year under audit, the company has not paid any managerial remuneration. Thus paragraph 3(xi) of the order is not applicable to the company.

12. In our opinion and according to information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.



13. According to the information and explanations given to us and the records examined by us, the transaction with the related parties are in compliance with the provisions of section 177 and section 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and the records examined by us, the company has not made any preferential allotment and private placement of shares during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

15. According to the information and explanations given to us and the records examined by us, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

16. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Lakhani & Lakhani**

Chartered Accountants

Firm Registration No: 115728W

**Suhas Shinde**

Partner

Membership No. 117107

Place: Mumbai

Date: 15th May, 2019



## "ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the companies act, 2013 ("the act")**

We have audited the internal financial controls over financial reporting of **TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED** ("the Company") as of **31st March, 2019** in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, to the best of our information and according to the explanations given to us, 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 31st March, 2019, 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.

#### **For Lakhani & Lakhani**

Chartered Accountants

Firm Registration No: 115728W

#### **Suhas Shinde**

Partner

Membership No. 117107

Place: Mumbai

Date: 15th May, 2019

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**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**  
**(CIN - L74210TN1986PLC012791)**  
**BALANCE SHEET AS ON 31ST MARCH 2019**

| PARTICULARS                                    | NOTES | Rupees in lakhs |                 |
|--|-------|-----------------|-----------------|
|  |       | 31-Mar-19       | 31-Mar-18       |
| <b>(1) ASSETS</b>                              |       |                 |                 |
| <b>Non-Current Assets</b>                      |       |                 |                 |
| (a) Property, Plant and Equipment              | 3     | 31.40           | 45.77           |
| (b) Capital work-in-progress                   |       |                 |                 |
| (c) Investment Property                        |       |                 |                 |
| (d) Goodwill                                   |       |                 |                 |
| (e) Other Intangible assets                    |       |                 |                 |
| (f) Intangible assets under development        |       |                 |                 |
| (g) Biological Assets other than bearer plants |       |                 |                 |
| (h) Financial Assets                           |       |                 |                 |
| (i) Investments                                | 4     | 2,375.07        | 5,104.18        |
| (ii) Trade receivables                         |       |                 |                 |
| (iii) Loans                                    | 5     | 122.73          | 978.40          |
| (iv) Others (to be specified)                  |       |                 |                 |
| (i) Deferred tax assets (net)                  |       | 25.85           | 25.26           |
| (j) Other non-current assets                   |       |                 |                 |
| <b>(2) Current Assets</b>                      |       |                 |                 |
| (a) Inventories                                |       |                 |                 |
| (b) Financial Assets                           |       |                 |                 |
| (i) Investments                                | 6     | 0.00            | 750.00          |
| (ii) Trade receivables                         | 7     | 17.63           | 0.00            |
| (iii) Cash and cash equivalents                | 8     | 1,578.12        | 47.91           |
| (iv) Bank balances other than (iii) above      |       | 0.00            | 0.00            |
| (v) Loans                                      | 9     | 2,252.81        | 1,370.84        |
| (vi) Others (to be specified)                  |       |                 |                 |
| (c) Current Tax Assets (Net)                   |       |                 |                 |
| (d) Other current assets                       | 10    | 514.13          | 4.22            |
| <b>TOTAL</b>                                   |       | <b>6,917.74</b> | <b>8,326.58</b> |
| <b>EQUITY AND LIABILITIES</b>                  |       |                 |                 |
| <b>Equity</b>                                  |       |                 |                 |
| (a) Equity Share capital                       | 11    | 1,050.00        | 1,050.00        |
| (b) Other Equity                               | 12    | 5,569.00        | 5,492.22        |
| <b>Liabilities</b>                             |       |                 |                 |
| <b>(1) Non-current liabilities</b>             |       |                 |                 |
| (a) Financial Liabilities                      |       |                 |                 |
| (i) Borrowings                                 |       |                 |                 |
| (ii) Trade payables                            |       |                 |                 |
| (iii) Other financial liabilities              |       |                 |                 |
| (b) Provisions                                 |       |                 |                 |
| (c) Deferred tax liabilities (Net)             |       |                 |                 |
| (d) Other non-current liabilities              |       |                 |                 |
| <b>(2) Current liabilities</b>                 |       |                 |                 |
| (a) Financial Liabilities                      |       |                 |                 |
| (i) Borrowings                                 | 13    | 0.00            | 110.98          |
| (ii) Trade payables                            | 14    | 0.00            | 53.19           |
| (iii) Other financial liabilities              |       | 0.00            | 0.00            |
| (b) Other current liabilities                  | 15    | 158.74          | 144.25          |
| (c) Provisions                                 | 16    | 140.00          | 1,475.94        |
| (d) Current Tax Liabilities (Net)              |       |                 |                 |
| <b>TOTAL</b>                                   |       | <b>6,917.74</b> | <b>8,326.58</b> |

See accompanying notes forming part of the financial statements

For Lakhani & Lakhani

Chartered Accountants

Firm Registration No. 115728W

For and on behalf of the Board

Suhas Shinde

Partner

M. No. 117107

Place: Mumbai

Date: 15-05-2019

Sundar Iyer

Chairman

DIN: 00481975

A.V.M. Sundaram

Company Secretary

Krishnan Muthukumar

Director

DIN: 00463579

Bhaskar Shetty

Chief Financial Officer





**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**  
**(CIN - L74210TN1986PLC012791)**

| <b>PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019</b>                |       |                                       |                                |
|--|-------|---------------------------------------|--------------------------------|
| PARTICULARS  | NOTES | Rupees in lakhs                       |                                |
|  |       | 31-Mar-19                             | 31-Mar-18                      |
| I Revenue From Operations  | 17    | 843.20                                | 1034.93                        |
| II Other Income  | 18    | 14.48                                 | 30.63                          |
| <b>III Total Income (I+II)</b>   |       | <b>857.68</b>                         | <b>1065.56</b>                 |
| <b>IV EXPENSES</b>   |       |                                       |                                |
| Cost of materials consumed   |       |                                       |                                |
| Purchases of Stock-in-Trade  |       |                                       |                                |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress       |       |                                       |                                |
| Employee benefits expense  | 19    | 53.25                                 | 95.04                          |
| Finance costs  |       |                                       |                                |
| Depreciation and amortization expense  |       | 14.37                                 | 42.94                          |
| Provision for diminution in the value of Investments written back                    |       |                                       |                                |
| Other expenses   | 20    | 99.90                                 | 127.93                         |
| <b>Total expenses</b>  |       | <b>167.52</b>                         | <b>265.91</b>                  |
| <b>V Profit/(loss) before exceptional items and tax (I- IV)</b>                      |       | <b>690.16</b>                         | <b>799.65</b>                  |
| VI Exceptional Items   |       |                                       |                                |
| <b>VII Profit/(loss) before tax</b>  |       | <b>690.16</b>                         | <b>799.65</b>                  |
| <b>VIII Tax expense:</b>   |       |                                       |                                |
| (1) Current tax  |       | 140.00                                | 240.00                         |
| (2) Deferred tax   |       | (0.59)                                | (8.69)                         |
| <b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>         |       | <b>550.75</b>                         | <b>568.34</b>                  |
| <b>X Profit/(loss) from discontinued operations</b>                                  |       | -                                     | -                              |
| <b>XI Tax expense of discontinued operations</b>                                     |       | -                                     | -                              |
| <b>XII Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>             |       | -                                     | -                              |
| <b>XIII Profit/(loss) for the period (IX+XII)</b>                                    |       | <b>550.75</b>                         | <b>568.34</b>                  |
| <b>XIV Other Comprehensive Income</b>  |       |                                       |                                |
| (A) (i) Items that will not be reclassified to profit or loss                        |       | -                                     | -                              |
| Gain on Financial Assets (Unrealised)  |       | -                                     | -                              |
| (ii) Income tax relating to items that will not be reclassified to profit or loss    |       | -                                     | -                              |
| (B) (i) Items that will be reclassified to profit or loss                            |       | (27.15)                               | 467.02                         |
| (ii) Income tax relating to items that will be reclassified to profit or loss        |       |                                       |                                |
| <b>XV Total Comprehensive Income for the period</b>                                  |       | <b>523.60</b>                         | <b>1035.36</b>                 |
| <b>XVI Earnings per equity share (for continuing operation):</b>                     |       |                                       |                                |
| Basic & Diluted  |       | 5.25                                  | 5.41                           |
| <b>XVII Earnings per equity share (for discontinued operation):</b>                  |       |                                       |                                |
| Basic & Diluted  |       | 5.25                                  | 5.41                           |
| <b>XVIII Earnings per equity share(for discontinued &amp; continuing operations)</b> |       |                                       |                                |
| Basic & Diluted  |       | 5.25                                  | 5.41                           |
| <b>See accompanying notes forming part of the financial statements</b>               |       |                                       |                                |
| <b>As Per our report attached</b>  |       | <b>For and on behalf of the Board</b> |                                |
| <b>For Lakhani &amp; Lakhani</b>   |       |                                       |                                |
| <b>Chartered Accountants</b>   |       |                                       |                                |
| <b>Firm Registration No. 115728W</b>   |       |                                       |                                |
| <b>Suhas Shinde</b>  |       | <b>Sundar Iyer</b>                    | <b>Krishnan Muthukumar</b>     |
| <b>Partner</b>   |       | <b>Chairman</b>                       | <b>Director</b>                |
| <b>M. No. 117107</b>   |       | <b>DIN: 00481975</b>                  | <b>DIN: 00463579</b>           |
| <b>Place: Mumbai</b>   |       | <b>A.V.M. Sundaram</b>                | <b>Bhaskar Shetty</b>          |
| <b>Date: 15-05-2019</b>  |       | <b>Company Secretary</b>              | <b>Chief Financial Officer</b> |



| <b>TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED</b>        |                       |                         |                  |
|---|-----------------------|-------------------------|------------------|
| <b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019</b> |                       |                         |                  |
|   | <b>Rupees in lacs</b> |                         |                  |
|   | 31/03/2019            |                         | 31/03/2018       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                    |                       |                         |                  |
| Net profit before tax   |                       | 690.16                  | 799.65           |
| Add: Depreciation   | 14.37                 |                         | 42.94            |
| MTM on Investments reversed-Previous year                     | (467.02)              |                         | 15.34            |
| MTM on Investments -Current year                              | (27.15)               |                         | 0.00             |
| Excess provision for gratuity written back                    | 0.00                  |                         | (0.83)           |
| Interest received   | 0.00                  |                         | (0.18)           |
| Dividend received   | (8.48)                | (488.28)                | (15.84)          |
| <b>Operating profit before working capital changes</b>        |                       | 201.88                  | 841.08           |
| Trade and other receivables                                   | (527.54)              |                         | 181.65           |
| Trade payables and other liabilities                          | (38.70)               |                         | (139.18)         |
| Loans & advances  | (881.97)              | (1448.21)               | (2.41)           |
| Cash generated from operations                                |                       | (1246.33)               | 881.14           |
| Direct Taxes paid   |                       | (284.13)                | (1.49)           |
| Net cash flow from operating activities (A)                   |                       | <b>(1530.46)</b>        | <b>879.65</b>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                    |                       |                         |                  |
| Investments in shares   |                       | 3479.11                 | (2626.74)        |
| Bank deposits   |                       | 0.00                    | 9.82             |
| Interest received   |                       | 0.00                    | 0.18             |
| Dividend received   |                       | 8.48                    | 15.84            |
| Net cash flow from investing activities (B)                   |                       | <b>3487.59</b>          | <b>(2600.90)</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                    |                       |                         |                  |
| Long term borrowings  |                       | 0.00                    | 2272.22          |
| Dividend and dividend tax                                     |                       | (315.94)                | 0.00             |
| Short term borrowings   |                       | (110.98)                | (1074.80)        |
| Net cash flow from financing activities (C)                   |                       | <b>(426.92)</b>         | <b>1197.42</b>   |
| Net increase/ (decrease) in cash & cash equivalents (A+B+C)   |                       | 1530.21                 | (523.83)         |
| Cash & cash equivalents opening balance                       |                       | 47.91                   | 571.74           |
| <b>Cash &amp; cash equivalents closing balance</b>            |                       | <b>1578.12</b>          | <b>47.91</b>     |
| Per our report attached                                       | On behalf of Board    |                         |                  |
| For Lakhani & Lakhani   | Sundar Iyer           | Krishnan Muthukumar     |                  |
| Chartered Accountants   | Chairman              | Director                |                  |
| Firm Registration No. 115728W                                 | DIN: 00481975         | DIN: 00463579           |                  |
| Suhas Shinde  |                       |                         |                  |
| Partner   |                       |                         |                  |
| M. No. 117107   | A.V.M. Sundaram       | Bhaskar Shetty          |                  |
|   | Company Secretary     | Chief Financial Officer |                  |
| Place: Mumbai   |                       |                         |                  |
| Date:15-05-2019   |                       |                         |                  |



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

### 1. General information

Twentyfirst Century Management Services Limited is a listed company engaged in investments in Capital Market and Futures & Options segment. The company has a wholly owned subsidiary, Twentyfirst Century Shares & Securities Limited which is also engaged in investments in Capital Market and Futures & Options segment. Company's shares are listed in BSE and NSE.

### 2. Significant Accounting Policies

#### a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost basis except for following assets and liabilities which have been measure at fair value:

- ♦ Certain Financial Assets & Liabilities (including derivative instruments)
- ♦ Defined Benefit Plans Plan Assets

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies' Act, 2013.

#### b) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ. Differences between the actual results and estimates are recognized in the period in which the results are known or materialized.

#### c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is generally accounted on accrual or as they are earned or incurred except in case of significant uncertainty. Revenue from investing / trading in shares, securities etc. is recognized on trade dates on first in first out basis. Revenue from Derivative Instruments & any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions. Dividend income is accounted for on receipt basis.

#### d) Property, Plant and Equipment

The items of Property, Plant and Equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company



## e) Depreciation

Property, Plant & Equipment are depreciated using the written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

## g) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

### Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

## h) Employment Benefits

### Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### Post Employment Obligations

The Company operates the following post-employment schemes: Defined Benefit Plans such as Gratuity and defined contribution plans such as provident fund.

**Defined Benefit Plans like Gratuity:** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the company. The estimates used for provision of Gratuity are as per "IND AS 19 Employee Benefits".

**Defined Contribution Plans like Provident Fund:** The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.



### i) Provisions & Contingent Liabilities

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or present obligation that may, but probably will not require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote.

### j) Impairment of Non Financial Assets

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

### k) Trade & Other Payables

These amounts represent liabilities for services received by the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### l) Borrowing costs

Borrowing costs that are attributable to the acquisition of assets are capitalized as part of cost of the asset. All other borrowing costs are charged to statement of Profit and Loss.

### m) Segment reporting

The Company operates in only one segment i.e., Capital Market operations, hence segment reporting in accordance with Accounting Standard-108 is not applicable.

| <b>NOTE -3</b>                               |                 |                  |               |
|--|-----------------|------------------|---------------|
| <b>PROPERTY, PLANT AND EQUIPMENTS</b>        |                 |                  |               |
| <b>Particulars</b>                           | <b>Computer</b> | <b>Motor car</b> | <b>Total</b>  |
| Gross Carrying Value as at 01-04-2018        | 3.46            | 140.92           | 144.38        |
| Additions                                    | 0.00            | 0.00             | 0.00          |
| Deletions                                    | 0.00            | 0.00             | 0.00          |
| <b>Gross Carrying Value as at 31-03-2019</b> | <b>3.46</b>     | <b>140.92</b>    | <b>144.38</b> |
| Accumulated depreciation as at 01-04-2018    | 3.23            | 95.38            | 98.61         |
| Depreciation                                 | 0.15            | 14.22            | 14.37         |
| Accumulated depreciation as at 31-03-2019    | 3.38            | 109.60           | 112.98        |
| <b>Net carrying value as at 31-03-2019</b>   | <b>0.08</b>     | <b>31.32</b>     | <b>31.40</b>  |



| <b>NOTE-4</b>   |                 |                 |
|---|-----------------|-----------------|
| <b>NON CURRENT INVESTMENTS</b>  | Rupees in lakhs |                 |
|   | 31-Mar-19       | 31-Mar-18       |
| <b>A. Investments with Subsidiary (At cost)</b>   |                 |                 |
| i) Investments in Equity Instruments of Subsidiary Company (Unquoted)<br>In Twentyfirst Century Shares & Securities Ltd<br>(55,89,500 equity shares of face value Rs. 10/- each fully paid up)  | 618.95          | 618.95          |
| ii) Investments in preference shares of Subsidiary Company (Unquoted)<br>In Twentyfirst Century Shares & Securities Ltd<br>(750000 12% Cumulative Non-Convertible Redeemable Preference Shares<br>of Rs. 100/- each redeemable on 16-09-2021) | 750.00          | 0.00            |
| <b>B. Other Investments (At fair value)</b>   |                 |                 |
| <b>Investments in Equity Instruments of others (Quoted)</b>   | 376.66          | 4,479.80        |
| <b>Unquoted Investments (At Cost)</b>   |                 |                 |
| Akshay Software Technologies Ltd (14760 shares) @ Rs.10 paid up   | 4.46            | 5.43            |
| Religare Enterprises Ltd (4780112 convertible warrants @ Rs. 52.30 each)<br>Partly paid up  | 625.00          | 0.00            |
|   | <b>2,375.07</b> | <b>5,104.18</b> |

**Disclosure:**

12% Cumulative Non- Convertible Redeemable Pref Shareholders will have voting rate for every one share held as per terms of extension of maturity

**Details of Other Investments**

Rs. In lakhs

| Scrip                 | Qty    | Cost          | Fair Value    |
|-----------------------|--------|---------------|---------------|
| RAJ RATAN GLOBAL WIRE | 19016  | 169.35        | 126.46        |
| RISHIROOP             | 10000  | 1.73          | 5.60          |
| TRIVENI ENGG          | 400000 | 232.73        | 244.60        |
| <b>Total</b>          |        | <b>403.81</b> | <b>376.66</b> |

| <b>NOTE-5</b>  |                 |               |
|--|-----------------|---------------|
| <b>LONG TERM LOANS &amp; ADVANCES</b>                | Rupees in lakhs |               |
|  | 31-Mar-19       | 31-Mar-18     |
| <b>Unsecured considered doubtful</b>                 |                 |               |
| Loans and advances to Twentyfirst Century Realty Ltd | 22.13           | 22.13         |
| <b>Unsecured considered good</b>                     |                 |               |
| Advance payment of taxes                             | 100.60          | 956.27        |
|  | <b>122.73</b>   | <b>978.40</b> |



| <b>NOTE-6</b>   |                 |               |
|---|-----------------|---------------|
| <b>CURRENT INVESTMENTS</b>  | Rupees in lakhs |               |
|   | 31-Mar-19       | 31-Mar-18     |
| i) Investment in preference shares of Subsidiary Company (Unquoted)<br>In Twentyfirst Century Shares & Securities Ltd<br>(750000 12% Cumulative Non-Convertible Redeemable Preference Shares of<br>Rs. 100/- each redeemable on 16-09-2018) | 0.00            | 750.00        |
|   | <b>0.00</b>     | <b>750.00</b> |

| <b>NOTE-7</b>   |                 |             |
|---|-----------------|-------------|
| <b>TRADE RECEIVABLES</b>  | Rupees in lakhs |             |
|   | 31-Mar-19       | 31-Mar-18   |
| <b>Sundry debtors</b><br>Unsecured considered good outstanding less than six months | 17.63           | 0.00        |
|   | <b>17.63</b>    | <b>0.00</b> |

| <b>NOTE-8</b>                                    |                 |              |
|--|-----------------|--------------|
| <b>CASH AND BANK BALANCES</b>                    | Rupees in lakhs |              |
|  | 31-Mar-19       | 31-Mar-18    |
| <b>Cash and cash Equivalents</b>                 |                 |              |
| Cash on hand                                     | 0.18            | 0.24         |
| Balance in current accounts with scheduled banks | 1,538.74        | 31.17        |
| Balance in unpaid dividend account (2017-18)     | 22.76           | 0.00         |
| Balance in unpaid dividend account (2014-15)     | 16.44           | 16.50        |
|  | <b>1,578.12</b> | <b>47.91</b> |

| <b>NOTE-9</b>                          |                 |                 |
|--|-----------------|-----------------|
| <b>SHORT TERM LOANS &amp; ADVANCES</b> | Rupees in lakhs |                 |
|  | 31-Mar-19       | 31-Mar-18       |
| Due from Subsidiary                    | 2,250.64        | 1,368.75        |
| Prepaid expenses                       | 1.92            | 2.09            |
| Others                                 | 0.25            | 0.00            |
|  | <b>2,252.81</b> | <b>1,370.84</b> |



| <b>NOTE-10</b>                |                 |             |
|-------------------------------|-----------------|-------------|
| <b>OTHER CURRENT ASSETS</b>   | Rupees in lakhs |             |
|                               | 31-Mar-19       | 31-Mar-18   |
| Margin for Derivative segment | 513.93          | 0.00        |
| Other receivable              | 0.20            | 4.22        |
|                               | <b>514.13</b>   | <b>4.22</b> |

| <b>NOTE-11</b>   |                 |                 |
|--|-----------------|-----------------|
| <b>SHARE CAPITAL</b>   | Rupees in lakhs |                 |
|  | 31-Mar-19       | 31-Mar-18       |
| <b>Authorised capital</b>  |                 |                 |
| 2,00,00,000 equity shares of Rs.10/-each                               | 2,000.00        | 2,000.00        |
| 10,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each | 1,000.00        | 1,000.00        |
|  | <b>3,000.00</b> | <b>3,000.00</b> |
| <b>Issued, subscribed and paid up</b>                                  |                 |                 |
| 1,05,00,000 equity shares of Rs.10/- each                              | 1,050.00        | 1,050.00        |
|  | <b>1,050.00</b> | <b>1,050.00</b> |

Disclosure:

**1.Reconciliation of the shares outstanding at the begining and at the end of the reporting period.**

| Equity shares                        | 31-03-2019 |             | 31-03-2018 |             |
|--------------------------------------|------------|-------------|------------|-------------|
|                                      | Qty        | Rs. In lacs | Qty        | Rs. In lacs |
| At the beginning of the period       | 10500000   | 1050.00     | 10500000   | 1050.00     |
| Issued during the period             | Nil        | Nil         | Nil        | Nil         |
| Outstanding at the end of the period | 10500000   | 1050.00     | 10500000   | 1050.00     |





## 2. Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having face value of Rs.10 per share. Every shareholder is entitled to one vote for every one share held. In the event of liquidation, the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion to their share holdings.

## 3. Details of Shareholders holding more than 5% shares in the company.

| Equity shares of Rs. 10/- each fully paid up |            |              |            |              |
|--|------------|--------------|------------|--------------|
| Name   | 31-03-2019 |              | 31-03-2018 |              |
|  | Qty        | % of holding | Qty        | % of holding |
| Mr. Sundar Iyer                              | 4212730    | 40.12        | 3767280    | 35.88        |
| Mrs. Vanaja Sundar                           | 820000     | 7.81         | 820000     | 7.81         |

| NOTE-12   |                            |                 |                            |                 |
|---|----------------------------|-----------------|----------------------------|-----------------|
| OTHER EQUITY  | Reserves And Suplus        |                 |                            |                 |
|   | Securities Premium Account | General Reserve | Other comprehensive income | Total           |
| <b>Balance as on 31st March 2017</b>                | 3,370.00                   | 852.13          | 21.72                      | <b>4,779.18</b> |
| Profit for the year                                 |                            |                 | 467.02                     | <b>1,035.36</b> |
| Restrospective Restatement as per Ind AS (Reversal) |                            |                 | (21.72)                    | <b>(6.38)</b>   |
| Dividends paid (including tax)                      |                            |                 |                            | <b>(315.94)</b> |
| <b>Balance as on 31st March 2018</b>                | <b>3,370.00</b>            | <b>852.13</b>   | <b>467.02</b>              | <b>5,492.22</b> |
| Profit for the year                                 |                            |                 |                            | <b>550.75</b>   |
| Other comprehensive income reversed                 |                            |                 | (467.02)                   | <b>(467.02)</b> |
| Other comprehensive income                          |                            |                 | -27.15                     | <b>-27.15</b>   |
| Excess provision for tax for earlier years          |                            |                 |                            | <b>20.20</b>    |
| <b>Balance as on 31st March 2019</b>                | <b>3,370.00</b>            | <b>852.13</b>   | <b>-27.15</b>              | <b>5,569.00</b> |



| <b>NOTE-13</b>                 |                 |               |
|--------------------------------|-----------------|---------------|
| <b>BORROWINGS</b>              | Rupees in lakhs |               |
|                                | 31-Mar-19       | 31-Mar-18     |
| Kotak Mahindra Investments Ltd | 0.00            | 110.98        |
|                                | <b>0.00</b>     | <b>110.98</b> |

**Disclosure:**

Above borrowings are secured by way of collateral security of shares

| <b>NOTE-14</b>        |                 |              |
|-----------------------|-----------------|--------------|
| <b>TRADE PAYABLES</b> | Rupees in lakhs |              |
|                       | 31-Mar-19       | 31-Mar-18    |
| For trading activity  | 0.00            | 53.19        |
|                       | <b>0.00</b>     | <b>53.19</b> |

| <b>NOTE-15</b>                            |                 |               |
|---|-----------------|---------------|
| <b>OTHER CURRENT LIABILITIES</b>          | Rupees in lakhs |               |
|   | 31-Mar-19       | 31-Mar-18     |
| Unpaid dividend-Final (2014-15)           | 16.44           | 16.50         |
| Unpaid dividend-Final (2017-18)           | 22.76           | 0.00          |
| Gujarat Industrial Investment Corporation | 31.73           | 31.73         |
| CSR payable                               | 5.30            | 0.00          |
| Provision for contingency                 | 75.00           | 75.00         |
| Statutory remittance                      | 2.05            | 2.17          |
| Outstanding expenses                      | 5.46            | 18.85         |
|   | <b>158.74</b>   | <b>144.25</b> |

**Disclosure:**

Unpaid dividend figure does not include any amount due and outstanding to be credited to Investor Education & Protection Fund.

| <b>NOTE-16</b>               |                 |                 |
|------------------------------|-----------------|-----------------|
| <b>SHORT TERM PROVISIONS</b> | Rupees in lakhs |                 |
|                              | 31-Mar-19       | 31-Mar-18       |
| Provision for tax            | 140.00          | 1,160.00        |
| Proposed dividend            | 0.00            | 262.50          |
| Tax on proposed dividend     | 0.00            | 53.44           |
|                              | <b>140.00</b>   | <b>1,475.94</b> |



| <b>NOTE-17</b>                               |                 |                 |
|--|-----------------|-----------------|
| <b>REVENUE FROM OPERATIONS</b>               | Rupees in lakhs |                 |
|  | 31-Mar-19       | 31-Mar-18       |
| <b>Income from capital market operations</b> |                 |                 |
| Profit/(Loss) from cash segment              | 315.96          | 1140.29         |
| Profit/(Loss) from derivative segment        | 527.24          | (105.36)        |
|  | <b>843.20</b>   | <b>1,034.93</b> |

| <b>NOTE-18</b>            |                 |              |
|---------------------------|-----------------|--------------|
| <b>OTHER INCOME</b>       | Rupees in lakhs |              |
|                           | 31-Mar-19       | 31-Mar-18    |
| Interest on fixed deposit | 0.00            | 0.18         |
| Dividend received         | 8.48            | 15.84        |
| Service charges           | 6.00            | 6.00         |
| Others                    | 0.00            | 8.61         |
|                           | <b>14.48</b>    | <b>30.63</b> |

| <b>NOTE-19</b>                           |                 |              |
|--|-----------------|--------------|
| <b>EMPLOYMENT COST</b>                   | Rupees in lakhs |              |
|  | 31-Mar-19       | 31-Mar-18    |
| Salaries and bonus                       | 50.98           | 92.85        |
| Employers contribution to provident fund | 1.85            | 1.84         |
| Gratuity fund contribution               | 0.04            | 0.04         |
| Staff welfare expenses                   | 0.38            | 0.31         |
|  | <b>53.25</b>    | <b>95.04</b> |

| <b>NOTE-20</b>          |                 |               |
|-------------------------|-----------------|---------------|
| <b>OTHER EXPENSES</b>   | Rupees in lakhs |               |
|                         | 31-Mar-19       | 31-Mar-18     |
| Advertisement           | 0.82            | 3.43          |
| Audit fees              | 1.75            | 2.75          |
| Communication expenses  | 2.14            | 2.07          |
| Depository charges      | 0.06            | 0.06          |
| Directors sitting fees  | 2.55            | 2.49          |
| Car insurance           | 2.11            | 1.48          |
| Electricity             | 2.07            | 1.63          |
| Issuer charges          | 1.08            | 0.9           |
| Legal fees              | 0.53            | 31.7          |
| Listing fees            | 6.37            | 5.27          |
| Other expenses          | 23.39           | 9.93          |
| Printing & stationary   | 0.53            | 2.16          |
| Professional fess       | 33.14           | 22.63         |
| Provision for CSR       | 5.30            | 22.75         |
| Repairs & maintenance   | 2.22            | 1.27          |
| Rent                    | 4.93            | 6.47          |
| Travelling & conveyance | 10.91           | 10.94         |
|                         | <b>99.90</b>    | <b>127.93</b> |



## 21. Audit Fees

Rs. in Lacs

| Particulars     | 31-03-2019  | 31-03-2018  |
|-----------------|-------------|-------------|
| Statutory Audit | 1.75        | 1.75        |
| Tax audit       | 1.00        | 1.00        |
| Limited Review  | 0.30        | 0.30        |
| Internal Audit  | 0.60        | 0.60        |
| <b>TOTAL</b>    | <b>3.65</b> | <b>3.65</b> |

22. Deferred tax asset of Rs. 0.59 lacs has been created for difference in written down value of fixed assets between books and tax accounts, detailed as under:

Rs. in lacs

| Particulars   | 31-03-2019 | 31-03-2018 |
|---|------------|------------|
| On timing differences on depreciation on fixed assets | 1.90       | 28.11      |
| Deferred tax thereon                                  | 0.59       | 8.69       |

## 23. Earnings Per Share

Rs. In lacs

| Particulars   | 31-03-2019 | 31-03-2018 |
|---|------------|------------|
| Net profit/(Loss) After Tax (Rs. In Lacs)               | 550.75     | 568.34     |
| Weighted average number of outstanding shares (In Lacs) | 105        | 105        |
| Basic/Diluted EPS (Face Value of Rs. 10 each)           | 5.25       | 5.41       |

## 24. Related party disclosures as required under IND AS-24 (Related Party Disclosures)

Related party and their relationship

| Related party                                  | Relationship   |
|--|--|
| Twentyfirst Century Shares & Securities Ltd.   | Wholly owned Subsidiary Company                      |
| Sundar Iyer                                    | Chairman   |
| Krishnan Muthukumar                            | Director   |
| Iyer Vishwanath                                | Independent director                                 |
| S. Hariharan                                   | Independent director                                 |
| Dipti Sakpal                                   | Independent director                                 |
| Vanaja Sundar Iyer                             | Relative of Director                                 |
| Siddharth Sundar Iyer                          | Relative of Director                                 |
| Karthik Iyer                                   | Relative of Director                                 |
| Shridhar Iyer                                  | Relative of Director                                 |
| AVM Sundaram                                   | Company Secretary                                    |
| Bhaskar Shetty                                 | CFO  |
| Twentyfirst Century Money Growth Fund Ltd.     | Company in which Director's are interested           |
| Twentyfirst Century Realty Ltd.                | Company in which Director's are interested           |
| SI Investments & Broking Pvt Ltd               | Company in which Director's relatives are interested |
| Lubricants & Allied Products Mfg. Co. Pvt. Ltd | Company in which Director's are interested           |
| Palani Andavar Holding Pvt Ltd                 | Company in which Director's are interested           |



### Transactions with the related parties

| Name of the party                              | Particulars              | 31/03/2019 |
|--|--------------------------|------------|
| Twentyfirst Century Shares & Securities Ltd    | Short term loans given   | 2250.64    |
| Lubricants & Allied Products Mfg. Co. Pvt. Ltd | Rent paid                | 2.40       |
| SI Investments & Broking Pvt Ltd               | Brokerage paid           | 23.18      |
| Karthik Iyer                                   | Salary paid              | 4.00       |
| Twentyfirst Century Shares & Securities Ltd    | Service charges received | 6.00       |
| Sundar Iyer                                    | Directors sitting fees   | 0.48       |
| Krishnan Muthukumar                            | Directors sitting fees   | 0.36       |
| Iyer Vishwanath                                | Directors sitting fees   | 0.63       |
| S. Hariharan                                   | Directors sitting fees   | 0.63       |
| Dipti Sakpal                                   | Directors sitting fees   | 0.45       |

25. The Company has not provided income tax liability of Rs. 522.26 lacs for various Assessment years that may arise in respect of income tax matters pending in appeal. It is not practicable to estimate the timing of cash outflows in respect of this matter. However, the company has been advised that it has fair chance of winning the appeal.

26. Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October, 2 2006, certain disclosure are required to be made relating to Micro, Small & Medium Enterprises. There have been no reported cases of delays in payments to Micro and Small Enterprises or of interest payments due to delays in such payments.

27. The Company had made contingency provision in F.Y. 2014-15 of Rs. 75 lacs towards estimated settlement cost of Rs.75 lacs payable to Gujarat Industrial Investment Corporation for pending legal cases in the High Court of Chennai. According to the Management estimates sufficient provision has been made for on review and doesn't require any additional provision for the contingency.

28. Equity Investment in Wholly Owned Subsidiary, Twentyfirst Century Shares & Securities Ltd, requires impairment of investments due to negative Net-Worth of the Subsidiary Company. As per the Management estimates, since the erosion in the Net-Worth of the Subsidiary Company is temporary in nature, it is not impaired.

29. Previous year figures have been rearranged and regrouped wherever necessary to facilitate the comparison



As per our Report of even Date

**For Lakhani & Lakhani**

Chartered Accountants

Firm Registration No.115728W

**Suhas Shinde**

Partner

M. No. 117107

For and on behalf of Board

**Sundar Iyer**

Chairman

**Krishnan Muthukumar**

Director

**Bhaskar Shetty**

Chief Financial Officer

**AVM Sundaram**

Company Secretary

Place: Mumbai

Date: 15-05-2019

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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**

**Report on Consolidated Financial Statements**

We have audited the accompanying Ind AS Consolidated Financial Statements of M/s TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiary -TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED, (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Consolidated Financial Statements, whether due to fraud or



error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Ind AS Consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the Ind AS Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS Consolidated Financial Statements.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Sr. No. | Key Audit Matters   |
|---------|---|
| 1.      | <p><b>Evaluation of uncertain tax Positions:</b><br/>The Holding Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. (refer note 25 to the consolidated financial statements).</p>  |
|         | <p><b>Auditor's Response:</b><br/>We have obtained the details of tax assessments &amp; demands for all the cases disputed from the Management of the Holding company. We involved our internal expertise to challenge the Management's underlying assumptions over the possible outcome of the disputes. We have also considered other rulings in evaluating the Management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at 1st April, 2018 to evaluate whether any change was required on these uncertainties.</p> |





## **Management's Responsibility for the Ind AS Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Ind AS Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "The Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its subsidiary in accordance with the Indian Accounting Standards (Ind AS), including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the Ind AS Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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



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

- ♦ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- ♦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- ♦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Qualified Opinion**

The Trade Receivables are carried in the Consolidated Balance Sheet as at 31st March, 2018 at Rs.1,525.51 lakhs. In case of the Subsidiary company, the other auditor who audited the financial statements / financial information of the Subsidiary has reported that the Management has not provided for Trade receivables of Rs.1,525.51 lakhs as they are doubtful in recovery. The company has also not provided the advances made to the group company to the tune of Rs. 22.13 lacs, which doubtful in recovery. Accordingly loss for the year would have been Rs.2142.16 lakhs; non-controlling interest and shareholders' funds would have been reduced by Rs.1547.64 lakhs. This matter was also qualified in our report on the Consolidated Financial Statements for the year ended 31st March, 2018. (Previous Year Doubtful Debts - Rs.1525.82 lakhs).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the consolidated state of affairs of the Group as at March 31, 2019, and their consolidated profit and their consolidated cash flows and the consolidated changes in equity for the year ended on that date.



## **Other Matters**

We did not audit the financial statements / financial information of the Subsidiary Company whose financial statements / financial information reflect total assets of Rs.2,099.70 lakhs as at 31st March, 2019, total revenues of Rs.(1,096.89) lakhs for the year ended on that date & net loss of Rs. (1145.27) for the year ended on that date, and net cash outflows of Rs.66.43 lakhs for the period from 1st April 2018 to 31st March 2019 as considered in the Ind AS Consolidated Financial Statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Ind AS Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary company and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary company, is based solely on the reports of the other auditors. Our opinion on the Ind AS Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and, except for the possible effect of the matter described in paragraph of the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS Consolidated Financial Statements.

(b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid Ind AS Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, and the Statement of Changes in Equity dealt with by this Report is in agreement with the relevant books of account maintained for the purpose of preparation of the Ind AS Consolidated Financial Statements.

(d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS Consolidated 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 the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company, none of the other directors of the Group's companies are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) In our opinion the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. Except for the possible effect of the matter described in paragraph of the Basis of Qualified Opinion above, the Ind AS Consolidated Financial Statements does not disclose the impact of pending litigations of the Income Tax Act, 1961 on the consolidated financial position of the Group.
- ii. Except for the possible effect of the matter described in paragraph of the Basis of Qualified Opinion above, the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

**For Lakhani & Lakhani**

Chartered Accountants

Firm Registration No: 115728W

**Suhas S. Shinde**

Partner

Membership No. 117107

Place: Mumbai

Date: 15th May, 2019



## **Annexure - A to the Auditor's Report**

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (“the act”)

In conjunction with our audit of the Ind AS Consolidated Financial Statements of the Company as of for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **M/s TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED** (hereinafter referred to as “the holding Company”) and its subsidiary company, as of that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company and its subsidiary which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) 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 respective 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 Holding Company and its subsidiary incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiary incorporated in India, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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



## **OPINION**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph, the Holding Company and its subsidiary which are incorporated in India, have, 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, 2019, based on the internal control over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on the Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

## **OTHER MATTERS**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to consolidated financial statements and the standalone financial statements of one subsidiary which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies.

**For Lakhani & Lakhani**  
**Chartered Accountants**  
**Firm Registration No: 115728W**

**Suhas S. Shinde**  
**Partner**  
**Membership No. 117107**

**Place: Mumbai**  
**Date: 15th May, 2019**



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**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**  
(CIN - L74210TN1986PLC012791)  
**CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2019**

| PARTICULARS                                    | NOTES | Rupees in lakhs |                 |
|--|-------|-----------------|-----------------|
|  |       | 31-Mar-19       | 31-Mar-18       |
| <b>(1) ASSETS</b>                              |       |                 |                 |
| <b>Non-Current Assets</b>                      |       |                 |                 |
| (a) Property, Plant and Equipment              | 3     | 31.40           | 45.77           |
| (b) Capital work-in-progress                   |       |                 |                 |
| (c) Investment Property                        |       |                 |                 |
| (d) Goodwill on consolidation                  |       | 60.00           | 60.00           |
| (e) Other Intangible assets                    |       |                 |                 |
| (f) Intangible assets under development        |       |                 |                 |
| (g) Biological Assets other than bearer plants |       |                 |                 |
| (h) Financial Assets                           |       |                 |                 |
| (i) Investments                                | 4     | 1,006.12        | 4,485.23        |
| (ii) Trade receivables                         |       |                 |                 |
| (iii) Loans                                    | 5     | 688.64          | 1,519.31        |
| (iv) Others (to be specified)                  |       |                 |                 |
| (i) Deferred tax assets (net)                  |       | 25.85           | 25.26           |
| (j) Other non-current assets                   |       |                 |                 |
| <b>(2) Current Assets</b>                      |       |                 |                 |
| (a) Inventories                                |       |                 |                 |
| (b) Financial Assets                           |       |                 |                 |
| (i) Investments                                |       |                 |                 |
| (ii) Trade receivables                         | 6     | 1,543.14        | 1,525.82        |
| (iii) Cash and cash equivalents                | 7     | 1,586.40        | 122.62          |
| (iv) Bank balances other than (iii) above      |       |                 |                 |
| (v) Loans                                      | 8     | 2.17            | 27.09           |
| (vi) Others (to be specified)                  |       |                 |                 |
| (c) Current Tax Assets (Net)                   |       |                 |                 |
| (d) Other current assets                       | 9     | 514.13          | 299.55          |
| <b>TOTAL</b>                                   |       | <b>5,457.85</b> | <b>8,110.65</b> |
| <b>EQUITY AND LIABILITIES</b>                  |       |                 |                 |
| <b>Equity</b>                                  |       |                 |                 |
| (a) Equity Share capital                       | 10    | 1,050.00        | 1,050.00        |
| (b) Other Equity                               | 11    | 3,959.35        | 5,027.84        |
| (c) Non-Controlling Interest                   |       |                 |                 |
| <b>Liabilities</b>                             |       |                 |                 |
| <b>(1) Non-current liabilities</b>             |       |                 |                 |
| (a) Financial Liabilities                      |       |                 |                 |
| (i) Borrowings                                 |       |                 |                 |
| (ii) Trade payables                            |       |                 |                 |
| (iii) Other financial liabilities              |       |                 |                 |
| (b) Provisions                                 |       |                 |                 |
| (c) Deferred tax liabilities (Net)             |       |                 |                 |
| (d) Other non-current liabilities              |       |                 |                 |
| <b>(2) Current liabilities</b>                 |       |                 |                 |
| (a) Financial Liabilities                      |       |                 |                 |
| (i) Borrowings                                 | 12    | 0.00            | 210.98          |
| (ii) Trade payables                            | 13    | 0.00            | 53.19           |
| (iii) Other financial liabilities              |       |                 |                 |
| (b) Other current liabilities                  | 14    | 163.50          | 147.70          |
| (c) Provisions                                 | 15    | 285.00          | 1,620.94        |
| (d) Current Tax Liabilities (Net)              |       |                 |                 |
| <b>TOTAL</b>                                   |       | <b>5,457.85</b> | <b>8,110.65</b> |

See accompanying notes forming part of the financial statements

**For Lakhani & Lakhani**  
**Chartered Accountants**

Firm Registration No. 115728W

Suhas Shinde

Partner

M. No. 117107

Place: Mumbai

Date: 15-05-2019

**For and on behalf of the Board**

Sundar Iyer

Chairman

DIN: 00481975

A.V.M. Sundaram

Company Secretary

Krishnan Muthukumar

Director

DIN: 00463579

Bhaskar Shetty

Chief Financial Officer



| <b>TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED</b>                                |                          |                                       |                  |
|---|--------------------------|---------------------------------------|------------------|
| <b>(CIN - L74210TN1986PLC012791)</b>  |                          |                                       |                  |
| <b>CONSOLIDATED PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019</b>    |                          |                                       |                  |
| <b>PARTICULARS</b>  | <b>NOTES</b>             | <b>Rupees in lakhs</b>                |                  |
|   |                          | <b>31-Mar-19</b>                      | <b>31-Mar-18</b> |
| I Revenue From Operations   | 16                       | (254.08)                              | 2,789.25         |
| II Other Income   | 17                       | 8.87                                  | 41.58            |
| <b>III Total Income (I+II)</b>  |                          | <b>(245.21)</b>                       | <b>2,830.83</b>  |
| <b>IV EXPENSES</b>  |                          |                                       |                  |
| Cost of materials consumed  |                          |                                       |                  |
| Purchases of Stock-in-Trade   |                          |                                       |                  |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress        |                          |                                       |                  |
| Employee benefits expense   | 18                       | 53.25                                 | 95.04            |
| Finance costs   |                          |                                       |                  |
| Depreciation and amortization expense   |                          | 14.37                                 | 42.94            |
| Other expenses  | 19                       | 142.28                                | 1,863.31         |
| <b>Total expenses</b>   |                          | <b>209.90</b>                         | <b>2,001.29</b>  |
| <b>V Profit/(loss) before exceptional items and tax (I- IV)</b>                       |                          | <b>(455.11)</b>                       | <b>829.54</b>    |
| VI Exceptional Items  |                          |                                       |                  |
| <b>VII Profit/(loss) before tax</b>   |                          | <b>(455.11)</b>                       | <b>829.54</b>    |
| <b>VIII Tax expense:</b>  |                          |                                       |                  |
| (1) Current tax   |                          | 140.00                                | 240.00           |
| (2) Deferred tax  |                          | (0.59)                                | (8.69)           |
| <b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>          |                          | <b>(594.52)</b>                       | <b>598.23</b>    |
| <b>X Profit/(loss) from discontinued operations</b>                                   |                          |                                       |                  |
| <b>XI Tax expense of discontinued operations</b>                                      |                          |                                       |                  |
| <b>XII Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>              |                          |                                       |                  |
| <b>XIII Profit/(loss) for the period (IX+XII)</b>                                     |                          | <b>(594.52)</b>                       | <b>598.23</b>    |
| <b>XIV Other Comprehensive Income</b>   |                          |                                       |                  |
| (A) (i) Items that will not be reclassified to profit or loss                         |                          |                                       |                  |
| (ii) Income tax relating to items that will not be reclassified to profit or loss     |                          |                                       |                  |
| (B) (i) Items that will be reclassified to profit or loss                             |                          | (27.15)                               | 467.02           |
| (ii) Income tax relating to items that will be reclassified to profit or loss         |                          |                                       |                  |
| <b>XV Total Comprehensive Income for the period</b>                                   |                          | <b>(621.67)</b>                       | <b>1,065.25</b>  |
| <b>XVI Earnings per equity share (for continuing operation):</b>                      |                          |                                       |                  |
| (1) Basic   |                          | (5.66)                                | 5.70             |
| (2) Diluted   |                          | (5.66)                                | 5.70             |
| <b>XVII Earnings per equity share (for discontinued operation):</b>                   |                          |                                       |                  |
| (1) Basic   |                          |                                       |                  |
| (2) Diluted   |                          |                                       |                  |
| <b>XVIII Earnings per equity share (for discontinued &amp; continuing operations)</b> |                          |                                       |                  |
| (1) Basic   |                          | (5.66)                                | 5.70             |
| (2) Diluted   |                          | (5.66)                                | 5.70             |
| <b>See accompanying notes forming part of the financial statements</b>                |                          |                                       |                  |
| <b>For Lakhani &amp; Lakhani</b>  |                          | <b>For and on behalf of the Board</b> |                  |
| <b>Chartered Accountants</b>  |                          |                                       |                  |
| <b>Firm Registration No. 115728W</b>  |                          |                                       |                  |
| <b>Suhas Shinde</b>   | <b>Sundar Iyer</b>       | <b>Krishnan Muthukumar</b>            |                  |
| <b>Partner</b>  | <b>Chairman</b>          | <b>Director</b>                       |                  |
| <b>M. No. 117107</b>  | <b>DIN: 00481975</b>     | <b>DIN: 00463579</b>                  |                  |
| <b>Place: Mumbai</b>  | <b>A.V.M. Sundaram</b>   | <b>Bhaskar Shetty</b>                 |                  |
| <b>Date: 15-05-2019</b>   | <b>Company Secretary</b> | <b>Chief Financial Officer</b>        |                  |



| <b>TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED</b>                     |                       |                  |            |                  |
|--|-----------------------|------------------|------------|------------------|
| <b>CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019</b> |                       |                  |            |                  |
|  | <b>Rupees in lacs</b> |                  |            |                  |
|  | 31/03/2019            |                  | 31/03/2018 |                  |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                 |                       |                  |            |                  |
| Net profit before tax  |                       | (455.11)         |            | 829.54           |
| Add: Depreciation  | 14.37                 |                  | 42.94      |                  |
| Bad debts written off  | 0.00                  |                  | 1723.98    |                  |
| MTM on Investments reversal-Previous year                                  | (467.02)              |                  | (21.43)    |                  |
| MTM on Investments-Current year  | (27.15)               |                  | 0.00       |                  |
| Excess provision for gatuity written back                                  | 0.00                  |                  | (0.83)     |                  |
| Interest received  | 0.00                  |                  | (10.51)    |                  |
| Dividend received  | (8.48)                | (488.28)         | (18.74)    | 1715.41          |
| Operating profit before working capital changes                            |                       | (943.39)         |            | 2544.95          |
| Trade and other receivables  | (231.90)              |                  | 84.90      |                  |
| Trade payables and other liabilities                                       | (37.39)               |                  | (773.43)   |                  |
| Loans & advances   | (881.97)              | (1151.26)        | (18.41)    | (706.94)         |
| <b>Cash generated from operations</b>                                      |                       | <b>(2094.65)</b> |            | <b>1838.01</b>   |
| Direct Taxes paid  |                       | (284.13)         |            | (125.03)         |
| <b>Net cash flow from operating activities (A)</b>                         |                       | <b>(2378.78)</b> |            | <b>1712.98</b>   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                 |                       |                  |            |                  |
| Bank deposits  |                       | 0.00             |            | 183.17           |
| Investments in shares  |                       | 3479.11          |            | (2626.74)        |
| Disposal of fixed assets   |                       | 0.00             |            | 0.00             |
| Interest received  |                       | 0.00             |            | 10.51            |
| Dividend received  |                       | 8.48             |            | 18.74            |
| <b>Net cash flow from investing activities (B)</b>                         |                       | <b>3487.59</b>   |            | <b>(2414.32)</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                                 |                       |                  |            |                  |
| Dividend and dividend tax  |                       | (315.94)         |            | 0.00             |
| Short term borrowings  |                       | 670.91           |            | 210.98           |
| <b>Net cash flow from financing activities (C)</b>                         |                       | <b>354.97</b>    |            | <b>210.98</b>    |
| Net increase/ (decrease) in cash & cash equivalents (A+B+C)                |                       | 1463.78          |            | (490.36)         |
| Cash & cash equivalents-opening balance                                    |                       | 122.62           |            | 612.98           |
| Cash & cash equivalents-closing balance                                    |                       | <b>1586.40</b>   |            | <b>122.62</b>    |

Per our report attached

On behalf of Board

**For Lakhani & Lakhani**  
**Chartered Accountants**  
**Firm Registration No. 115728W**

**Suhas Shinde**  
**Partner**

**M. No. 117107**

Place: Mumbai

Date: 15-05-2019

**For and on behalf of the Board**

**Sundar Iyer**  
**Chairman**  
**DIN: 00481975**

**A.V.M. Sundaram**  
**Company Secretary**

**Krishnan Muthukumar**  
**Director**  
**DIN: 00463579**

**Bhaskar Shetty**  
**Chief Financial Officer**



## Notes to Consolidated Financial Statements

### 1. Basis of Consolidation

The consolidated financial statements relate to Twentyfirst Century Management Services Limited and its subsidiary Company.

#### Principles of Consolidation

The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expense. The intra-group balances and intra-group transactions and unrealized profits or losses are fully eliminated as per AS-21 (Consolidated Financial Statement) issued by Institute of Chartered Accountants of India.

#### Goodwill / Capital Reserve on consolidation

The excess of cost to the Company of its investment in the subsidiary over the Company's portion of equity of the subsidiary as at the date of investment is recognized in the consolidated financial statement as goodwill.

#### Particulars of Subsidiaries

| Name of the Company                         | Country of Incorporation | Proportion of ownership interest |
|---|--------------------------|----------------------------------|
| Twentyfirst Century Shares & Securities Ltd | India                    | 100%                             |

### 2. Significant Accounting Policies

#### a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost basis except for following assets and liabilities which have been measure at fair value:

- ♦ Certain Financial Assets & Liabilities (including derivative instruments)
- ♦ Defined Benefit Plans Plan Assets

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies' Act, 2013.

**b) Use of Estimates**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ. Differences between the actual results and estimates are recognized in the period in which the results are known or materialized.

**c) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is generally accounted on accrual or as they are earned or incurred except in case of significant uncertainty. Revenue from investing / trading in shares, securities etc. is recognized on trade dates on first in first out basis. Revenue from Derivative Instruments & any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions. Dividend income is accounted for on receipt basis.

**d) Property, Plant and Equipment**

The items of Property, Plant and Equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

**e) Depreciation**

Property, Plant & Equipment are depreciated using the written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**f) Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.



## **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

## **Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

## **h) Employment Benefits**

### **Short Term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **Post Employment Obligations**

The group operates the following post-employment schemes: Defined Benefit Plans such as Gratuity and defined contribution plans such as provident fund.

**Defined Benefit Plans like Gratuity:** The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the company. The estimates used for provision of Gratuity are not as per "IND AS 19 Employee Benefits".

**Defined Contribution Plans like Provident Fund:** The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.



### **i) Provisions & Contingent Liabilities**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or present obligation that may, but probably will not require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote.

### **j) Impairment of Non Financial Assets**

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

### **k) Trade & Other Payables**

These amounts represent liabilities for services received by the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **l) Borrowing costs**

Borrowing costs that are attributable to the acquisition of assets are capitalized as part of cost of the asset. All other borrowing costs are charged to statement of Profit and Loss.

### **m) Segment reporting**

The Company operates in only one segment i.e., Capital Market operations, hence segment reporting in accordance with Accounting Standard-108 is not applicable.





| <b>NOTE -3</b>                               |                 |                  |               |
|--|-----------------|------------------|---------------|
| <b>PROPERTY, PLANT AND EQUIPMENTS</b>        |                 |                  |               |
| <b>Particulars</b>                           | <b>Computer</b> | <b>Motor car</b> | <b>Total</b>  |
| Gross Carrying Value as at 01-04-2018        | 3.46            | 140.92           | 144.38        |
| Additions                                    | 0.00            | 0.00             | 0.00          |
| Deletions                                    | 0.00            | 0.00             | 0.00          |
| <b>Gross Carrying Value as at 31-03-2019</b> | <b>3.46</b>     | <b>140.92</b>    | <b>144.38</b> |
| Accumulated depreciation as at 01-04-2018    | 3.23            | 95.38            | 98.61         |
| Depreciation                                 | 0.15            | 14.22            | 14.37         |
| Accumulated depreciation as at 31-03-2019    | 3.38            | 109.60           | 112.98        |
| <b>Net carrying value as at 31-03-2019</b>   | <b>0.08</b>     | <b>31.32</b>     | <b>31.40</b>  |

| <b>NOTE-4</b>   |                 |                 |
|---|-----------------|-----------------|
| <b>NON CURRENT INVESTMENTS</b>  | Rupees in lakhs |                 |
|   | 31-Mar-19       | 31-Mar-18       |
| <b>Investments in Equity Instruments -Quoted (At fair value)</b>                        | 376.66          | 4,479.80        |
| <b>Investments in Equity Instruments (Un Quoted)</b>                                    |                 |                 |
| Akshay Software Technologies Ltd (14760 shares) @ Rs.10 paid up                         | 4.46            | 5.43            |
| Religare Enterprises Ltd (4780112 convertible warrants @ Rs. 52.30 each) Partly paid up | 625.00          | 0.00            |
|   | <b>1,006.12</b> | <b>4,485.23</b> |

**Disclosure:****Details of Investments in Equity Instruments-Quoted**

| <b>Scrip</b>          | <b>Qty</b> | <b>Cost</b>   | <b>Fair Value</b> |
|-----------------------|------------|---------------|-------------------|
| RAJ RATAN GLOBAL WIRE | 19016      | 169.35        | 126.46            |
| RISHIROOP             | 10000      | 1.73          | 5.60              |
| TRIVENI ENGG          | 400000     | 232.73        | 244.60            |
| <b>Total</b>          |            | <b>403.81</b> | <b>376.66</b>     |



| <b>NOTE-5</b>                         |                 |                 |
|---------------------------------------|-----------------|-----------------|
| <b>LONG TERM LOANS &amp; ADVANCES</b> | Rupees in lakhs |                 |
|                                       | 31-Mar-19       | 31-Mar-18       |
| <b>Unsecured considered good</b>      |                 |                 |
| Advance payment of taxes              | 641.51          | 1,497.18        |
| Others                                | 25.00           | 0.00            |
| <b>Unsecured considered doubtful</b>  |                 |                 |
| Twentyfirst Century Realty Ltd        | 22.13           | 22.13           |
|                                       | <b>688.64</b>   | <b>1,519.31</b> |

| <b>NOTE-6</b>  |                 |                |
|--|-----------------|----------------|
| <b>TRADE RECEIVABLES</b>                                       | Rupees in lakhs |                |
|  | 31-Mar-19       | 31-Mar-18      |
| <b>Sundry debtors</b>  |                 |                |
| Unsecured considered good outstanding less than six months     | 17.63           | 0.00           |
| Unsecured considered doubtful outstanding more than six months | 1525.51         | 3249.80        |
| Less: Bad debts written off                                    | 0.00            | (1,723.98)     |
|  | <b>1543.14</b>  | <b>1525.82</b> |

| <b>NOTE-7</b>                                    |                 |               |
|--|-----------------|---------------|
| <b>CASH AND BANK BALANCES</b>                    | Rupees in lakhs |               |
|  | 31-Mar-19       | 31-Mar-18     |
| <b>Cash and cash Equivalents</b>                 |                 |               |
| Cash on hand                                     | 0.18            | 0.24          |
| Balance in current accounts with scheduled banks | 1,547.02        | 105.88        |
| Balance in unpaid dividend account (2017-18)     | 22.76           | 0.00          |
| Balance in unpaid dividend account (2014-15)     | 16.44           | 16.50         |
|  | <b>1,586.40</b> | <b>122.62</b> |

| <b>NOTE-8</b>                          |                 |              |
|--|-----------------|--------------|
| <b>SHORT TERM LOANS &amp; ADVANCES</b> | Rupees in lakhs |              |
|  | 31-Mar-19       | 31-Mar-18    |
| Unsecured considered good              | 0.00            | 25.00        |
| Prepaid insurance                      | 1.92            | 2.09         |
| Others                                 | 0.25            | 0.00         |
|  | <b>2.17</b>     | <b>27.09</b> |



| NOTE-9                        |                 |               |
|-------------------------------|-----------------|---------------|
| OTHER CURRENT ASSETS          | Rupees in lakhs |               |
|                               | 31-Mar-19       | 31-Mar-18     |
| Margin for Derivative segment | 513.93          | 295.33        |
| Other receivable              | 0.20            | 4.22          |
|                               | <b>514.13</b>   | <b>299.55</b> |

| NOTE-10  |                 |                 |
|--|-----------------|-----------------|
| SHARE CAPITAL  | Rupees in lakhs |                 |
|  | 31-Mar-19       | 31-Mar-18       |
| <b>Authorised capital</b>  |                 |                 |
| 2,00,00,000 equity shares of Rs.10/-each                               | 2,000.00        | 2,000.00        |
| 10,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each | 1,000.00        | 1,000.00        |
|  | 3,000.00        | 3,000.00        |
| <b>Issued, subscribed and paid up</b>                                  |                 |                 |
| 1,05,00,000 equity shares of Rs.10/- each                              | 1,050.00        | 1,050.00        |
|  | <b>1,050.00</b> | <b>1,050.00</b> |

### Disclosure:

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

| Equity shares                        | 31-03-2019 |             | 31-03-2018 |             |
|--------------------------------------|------------|-------------|------------|-------------|
|                                      | Qty        | Rs. In lacs | Qty        | Rs. In lacs |
| At the beginning of the period       | 10500000   | 1050.00     | 10500000   | 1050.00     |
| Issued during the period             | Nil        | Nil         | Nil        | Nil         |
| Outstanding at the end of the period | 10500000   | 1050.00     | 10500000   | 1050.00     |

### 2. Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having face value of Rs.10 per share. Every shareholder is entitled to one vote for every one share held. In the event of liquidation, the equity shareholders shall be entitled to receive remaining assets of the company after distribution of all dues in proportion to their share holdings.



### 3. Details of Shareholders holding more than 5% shares in the company

| Equity shares of Rs. 10/- each fully paid up |            |              |            |              |
|--|------------|--------------|------------|--------------|
| Name   | 31-03-2019 |              | 31-03-2018 |              |
|  | Qty        | % of holding | Qty        | % of holding |
| Mr. Sundar Iyer                              | 4212730    | 40.12        | 3767280    | 35.88        |
| Mrs. Vanaja Sundar                           | 820000     | 7.81         | 820000     | 7.81         |

| NOTE-11                                    |                            |                   |                 |  |                 |
|--|----------------------------|-------------------|-----------------|--|-----------------|
| OTHER EQUITY                               | Reserves And Surplus       |                   |                 |  |                 |
|  | Securities Premium Account | Retained Earnings | General Reserve | Other Item of other comprehensive income | Total           |
| <b>Balance as on 31st March 2017</b>       | 3,370.00                   | 72.63             | 857.33          | 21.72                                    | <b>4,321.68</b> |
| Profit for the year                        |                            | 598.23            |                 | 467.02                                   | <b>1,065.25</b> |
| Restrospective Restatement as per Ind AS   |                            | (21.43)           |                 | (21.72)                                  | <b>(43.15)</b>  |
| Dividends paid (including tax)             |                            | (315.94)          |                 |  | <b>(315.94)</b> |
| <b>Balance as on 31st March 2018</b>       | 3,370.00                   | 333.49            | 857.33          | 467.02                                   | 5,027.84        |
| Profit for the year                        |                            | (594.52)          |                 |  | <b>(594.52)</b> |
| Other comprehensive income reversed        |                            |                   |                 | (467.02)                                 | <b>(467.02)</b> |
| Other comprehensive income for the period  |                            |                   |                 | (27.15)                                  | <b>(27.15)</b>  |
| Excess provision for tax for earlier years |                            | 20.20             |                 |  | <b>20.20</b>    |
| <b>Balance as on 31st March 2019</b>       | <b>3,370.00</b>            | <b>(240.83)</b>   | <b>857.33</b>   | <b>(27.15)</b>                           | <b>3,959.35</b> |

| NOTE-12                        |                 |               |
|--------------------------------|-----------------|---------------|
| BORROWINGS                     | Rupees in lakhs |               |
|                                | 31-Mar-19       | 31-Mar-18     |
| Kotak Mahindra Investments Ltd | 0.00            | 110.98        |
| Due to Directors               | 0.00            | 100.00        |
|                                | <b>0.00</b>     | <b>210.98</b> |

**Disclosure:**

Borrowing From Kotak Mahindra Investment Ltd is secured by way of collateral security of shares

| <b>NOTE-13</b>        |                 |              |
|-----------------------|-----------------|--------------|
| <b>TRADE PAYABLES</b> | Rupees in lakhs |              |
|                       | 31-Mar-19       | 31-Mar-18    |
| For trading activity  | 0.00            | 53.19        |
|                       | <b>0.00</b>     | <b>53.19</b> |

| <b>NOTE-14</b>                            |                 |               |
|---|-----------------|---------------|
| \   | Rupees in lakhs |               |
|   | 31-Mar-19       | 31-Mar-18     |
| Unpaid dividend-Final (2014-15)           | 16.44           | 16.50         |
| Unpaid dividend-Final (2017-18)           | 22.76           | 0.00          |
| Gujarat Industrial Investment Corporation | 31.73           | 31.73         |
| CSR payable                               | 5.30            | 0.00          |
| Provision for contingency                 | 75.00           | 75.00         |
| Statutory remittance                      | 2.53            | 2.60          |
| Outstanding expenses                      | 9.74            | 21.87         |
|   | <b>163.50</b>   | <b>147.70</b> |

| <b>NOTE-15</b>               |                 |                 |
|------------------------------|-----------------|-----------------|
| <b>SHORT TERM PROVISIONS</b> | Rupees in lakhs |                 |
|                              | 31-Mar-19       | 31-Mar-18       |
| Provision for tax            | 285.00          | 1,305.00        |
| Proposed dividend            | 0.00            | 262.50          |
| Tax on proposed dividend     | 0.00            | 53.44           |
|                              | <b>285.00</b>   | <b>1,620.94</b> |

| <b>NOTE-16</b>                               |                 |                 |
|--|-----------------|-----------------|
| <b>REVENUE FROM OPERATIONS</b>               | Rupees in lakhs |                 |
|  | 31-Mar-19       | 31-Mar-18       |
| <b>Income from capital market operations</b> |                 |                 |
| Profit/(Loss) from cash segment              | (416.73)        | 2839.65         |
| MTM loss in cash segment                     | 0.00            | 0.00            |
| Profit/(Loss) from derivative segment        | 162.65          | (50.40)         |
|  | <b>(254.08)</b> | <b>2,789.25</b> |



| <b>NOTE-17</b>            |                 |              |
|---------------------------|-----------------|--------------|
| <b>OTHER INCOME</b>       | Rupees in lakhs |              |
|                           | 31-Mar-19       | 31-Mar-18    |
| Interest on fixed deposit | 0.00            | 10.51        |
| Dividend received         | 8.48            | 18.74        |
| Others                    | 0.39            | 12.33        |
|                           | <b>8.87</b>     | <b>41.58</b> |

| <b>NOTE-18</b>                           |                 |              |
|--|-----------------|--------------|
| <b>EMPLOYMENT COST</b>                   | Rupees in lakhs |              |
|  | 31-Mar-19       | 31-Mar-18    |
| Salaries and bonus                       | 50.98           | 92.85        |
| Employers contribution to provident fund | 1.85            | 1.84         |
| Gratuity fund contribution               | 0.04            | 0.04         |
| Staff welfare expenses                   | 0.38            | 0.31         |
|  | <b>53.25</b>    | <b>95.04</b> |

| <b>NOTE-19</b>               |                 |                |
|------------------------------|-----------------|----------------|
| <b>OTHER EXPENSES</b>        | Rupees in lakhs |                |
|                              | 31-Mar-19       | 31-Mar-18      |
| Advertisement                | 0.82            | 3.43           |
| Audit fees                   | 3.35            | 5.25           |
| Bad debts                    | 0.00            | 1723.98        |
| Communication expenses       | 4.34            | 4.68           |
| Depository charges           | 0.06            | 0.06           |
| Directors sitting fees       | 4.31            | 2.49           |
| Car insurance                | 2.11            | 1.48           |
| Electricity                  | 2.07            | 1.63           |
| Issuer charges               | 1.08            | 0.90           |
| Legal fees                   | 0.53            | 31.70          |
| Listing fees                 | 6.37            | 5.27           |
| Loss on impairment of assets | 0.00            | 0.00           |
| Other expenses               | 24.02           | 12.26          |
| PF Damages                   | 4.52            | 0.00           |
| Printing & stationary        | 1.47            | 3.10           |
| Professional fess            | 61.39           | 25.51          |
| Provision for CSR            | 5.30            | 22.75          |
| Repairs & maintenance        | 2.22            | 1.41           |
| Rent                         | 6.13            | 6.47           |
| Travelling & conveyance      | 12.19           | 10.94          |
|                              | <b>142.28</b>   | <b>1863.31</b> |



20. No deferred tax asset has been created on carried forward losses as per income tax, as there is no reasonable certainty of reversal of the same in one or more subsequent year.

Deferred tax asset of Rs. 0.59 lacs has been created for difference in written down value of fixed assets between books and tax accounts, detailed as under:

Rs. in lacs

| Particulars   | 31-03-2019 | 31-03-2018 |
|---|------------|------------|
| On timing differences on depreciation on fixed assets | 1.90       | 28.11      |
| Deferred tax thereon                                  | 0.59       | 8.69       |

## 21. Earning Per Share

| Particulars   | 31-03-2019 | 31-03-2018 |
|---|------------|------------|
| Net profit/(Loss) After Tax (Rs. In Lacs)               | (594.52)   | 598.23     |
| Weighted average number of outstanding shares (In Lacs) | 105        | 105        |
| Basic/Diluted EPS (Face Value of Rs. 10 each)           | 5.66       | 5.70       |

22. The company operates in only one segment i.e., Capital Market operations, hence segment reporting in accordance with Accounting Standard-17 is not applicable.

23. Related party disclosures as required under AS-18 (Related Party Disclosures)

## Related party and their relationship

| Related party                                  | Relationship   |
|--|--|
| Twentyfirst Century Shares & Securities Ltd.   | Wholly owned Subsidiary Company                      |
| Sundar Iyer                                    | Chairman   |
| Krishnan Muthukumar                            | Director   |
| Iyer Vishwanath                                | Independent director                                 |
| S. Hariharan                                   | Independent director                                 |
| Dipti Sakpal                                   | Independent director                                 |
| Vanaja Sundar Iyer                             | Relative of Director                                 |
| Siddharth Sundar Iyer                          | Relative of Director                                 |
| Karthik Iyer                                   | Relative of Director                                 |
| Shridhar Iyer                                  | Relative of Director                                 |
| AVM Sundaram                                   | Company Secretary                                    |
| Bhaskar Shetty                                 | CFO  |
| Twentyfirst Century Money Growth Fund Ltd.     | Company in which Director's are interested           |
| Twentyfirst Century Realty Ltd.                | Company in which Director's are interested           |
| SI Investments & Broking Pvt Ltd               | Company in which Director's relatives are interested |
| Palani Andavar Holdings Pvt Ltd                | Company in which Director's are interested           |
| Lubricants & Allied Products Mfg. Co. Pvt. Ltd | Company in which Director's are interested           |



### Transactions with the related parties

| Name of the party                              | Particulars            | Rs. In lacs |
|--|------------------------|-------------|
| Karthik Iyer                                   | Salary paid            | 4.00        |
| Lubricants & Allied Products Mfg. Co. Pvt. Ltd | Rent paid              | 2.40        |
| SI Investments & Broking Pvt Ltd               | Brokerage paid         | 47.21       |
| Sundar Iyer                                    | Directors sitting fees | 0.95        |
| Krishnan Muthukumar                            | Directors sitting fees | 0..71       |
| Iyer Vishwanath                                | Directors sitting fees | 1.10        |
| S. Hariharan                                   | Directors sitting fees | 0.63        |
| Dipti Sakpal                                   | Directors sitting fees | 0.92        |

### 24. Auditors' Remuneration

Rs. in lacs

| Paticulars               | 31-03-2019 | 31-03-2018 |
|--------------------------|------------|------------|
| Statutory audit          | 3.00       | 3.00       |
| Tax audit                | 1.75       | 1.75       |
| Limited review           | 0.30       | 0.30       |
| Appeal and other matters | 0.50       | 0.50       |
| Internal audit           | 0.60       | 0.60       |
| Total                    | 6.15       | 6.15       |

25. Also Company has not provided income tax liability of Rs. 522.26 lacs that may arise in respect of income tax matters pending in appeal. It is not practicable to estimate the timing of cash outflows in respect of this matter. However, the company has been advised that it has fair chance of winning the appeal.

26. Trade receivable of Rs. 1525.51 is under dispute and in litigation and hence no provision has been made in the accounts.

27. Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October, 2 2006 certain disclosure are required to be made relating to Micro, Small & Medium Enterprises. There have been no reported cases of delays in payments to Micro and Small Enterprises or of interest payments due to delays in such payments.





28. The Company had made contingency provision in F.Y. 2014-15 of Rs. 75 lacs towards estimated settlement cost of Rs.75 lacs payable to Gujarat Industrial Investment Corporation for pending legal cases in the High Court of Chennai. According to the Management estimates sufficient provision has been made for on review and doesn't require any additional provision for the contingency.

29. Previous year figures have been rearranged and regrouped wherever necessary to facilitate the comparison.

As per our Report of even Date  
**For Lakhani & Lakhani**  
Chartered Accountants  
Firm Registration No. 115728W

**Suhas Shinde**  
Partner  
M. No. 117107

Place: Mumbai  
Date: 15-05-2019

For and on behalf of Board

**Sundar Iyer**  
Chairman  
DIN: 00481975

**Krishnan Muthukumar**  
Director  
DIN: 00463579

**Bhaskar Shetty**  
Chief Financial Officer

**A.V.M. Sundaram**  
Company Secretary



**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**

**Regd.Office:** NO.67, OLD NO.28-A, DOOR NO.G-3.ELDAMS ROAD, Alwarpet,  
Chennai - 600 018

TELEPHONE +91 44 42030149, FAX +91 44 24328452

WEBSITE:www.tcms.bz; e-mail: Invesotrs@tcms.bz

**CIN: L74210TN1986PLC012791**

**THIRTY THIRD ANNUAL GENERAL MEETING ON MONDAY 15TH JULY 2019**

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF  
THE VENUE FOR AGM

|  |  |
|--|--|
| Name and address<br>of the registered member |  |
| Folio No./DP ID No./<br>Client ID No.        |  |
| No. of Shares                                |  |

I/We hereby record my / our presence at the 33rd Annual General Meeting of the Company to be held on Monday, 15th July 2019 at 4.00 p. m. at Asha Nivas, No.9, Rutland Gate 5th Street, Chennai - 600 006

Name (in Block Letters) & Signature of the Member Proxy attending the Meeting

| Electronic Voting Event Number<br>(EVEN) | User ID | Password |
|--|---------|----------|
|  |         |          |

**ELECTRONIC VOTING PARTICULARS**

**Note: I) Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him/her. Duplicate Attendance Slip and Annual Report will not be issued at the Annual General Meeting.**

**II) Please read the Instructions printed in the Notice of the 33rd Annual General Meeting of the Company to be held on 15th July 2019. The voting period starts on Friday, 12th July 2019 at 9.00 a.m. and ends on Sunday, 14th July 2019 at 5.00 p.m. The voting module shall be disabled by LIPL for voting thereafter.**

**III) Proxy Form is attached to the Annual Report.**



**TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED**

**Regd.Office:** NO.67, OLD NO.28-A, DOOR NO.G-3.ELDAMS ROAD, Alwarpet,  
Chennai - 600 018

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WEBSITE:www.tcms.bz; e-mail: Invesotrs@tcms.bz

**CIN: L74210TN1986PLC012791**

**33rd Annual General Meeting on Monday, 15th July 2019 at 4.00 p.m.**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                            |   |
|----------------------------|---|
| CIN                        | L74210TN1986PLC012791   |
| Name of the Company        | TWENTYFIRST CENTURY MANAGEMENT SERVICES LIMITED                         |
| Registered Office          | NO.67,OLD NO.28-A, DOOR NO.G-3. ELDAMS ROAD,Alwarpet, Chennai - 600 018 |
| Name of Member(s)          |   |
| Registered Address         |   |
| Email ID                   |   |
| Folio No./ DP ID Client ID |   |

**I/We, being the Member(s) of and hold/holds \_\_\_\_\_ shares of above named Company, hereby appoint:**

(1) Name.....Address:.....

Email ID:.....Signature..... Or failing him/her

(2) Name.....Address:.....

Email ID:.....Signature..... Or failing him/her

(3) Name.....Address:.....

Email ID:.....Signature..... Or failing him/her



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Monday, 15th July 2019 at 4.00 p. m. at Asha Nivas, No.9, Rutland Gate 5th Street, Chennai - 600006 and at any adjournment thereof in respect of such resolutions:

|   |
|---|
| Affix<br>Revenue<br>Stamp of<br>Re. 1/- |
|---|

| Resolution Number        | Resolution  | Vote |         |         |
|--------------------------|---|------|---------|---------|
|                          |   | For  | Against | Abstain |
| <b>Ordinary Business</b> |   |      |         |         |
| <b>1</b>                 | Adoption of Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 March, 2019 including audited Balance Sheet as at 31 March, 2019 and the Statement of Profit t & Loss for the year ended on that date and the reports of the Board of the Directors and Auditors thereon. |      |         |         |
| <b>2</b>                 | Appointment of Mr. Sundar Iyer (DIN 00481975), as Director who retires by rotation and, being eligible, offers himself for re-appointment.  |      |         |         |
| <b>3</b>                 | Appointment of Messrs. Shankar & Kishor, Mumbai, Chartered Accountants, (Registration Number 112451W), as Statutory Auditors of the Company), in place of the retiring Auditors of the Company.   |      |         |         |
| <b>Special Business</b>  |   |      |         |         |
| <b>4</b>                 | Approval for payment of remuneration to Mr. Sundar Iyer as Chairman & Chief Executive Officer of the Company.   |      |         |         |
| <b>5</b>                 | Approval for related party transaction during the financial year 2019-20 on the terms as briefly mentioned in the explanatory statement to this resolution.   |      |         |         |

Signed this.....day of..... 2019

Notes:

- This form of proxy in order to be effective should be duly stamped, completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- It is optional to indicate your preference. If you leave columns 'For, Against, Abstain' blank against all or any of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
- For the Resolutions, Statement setting out material facts thereon and notes please refer to the Notice of the 33rd Annual General Meeting.
- A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



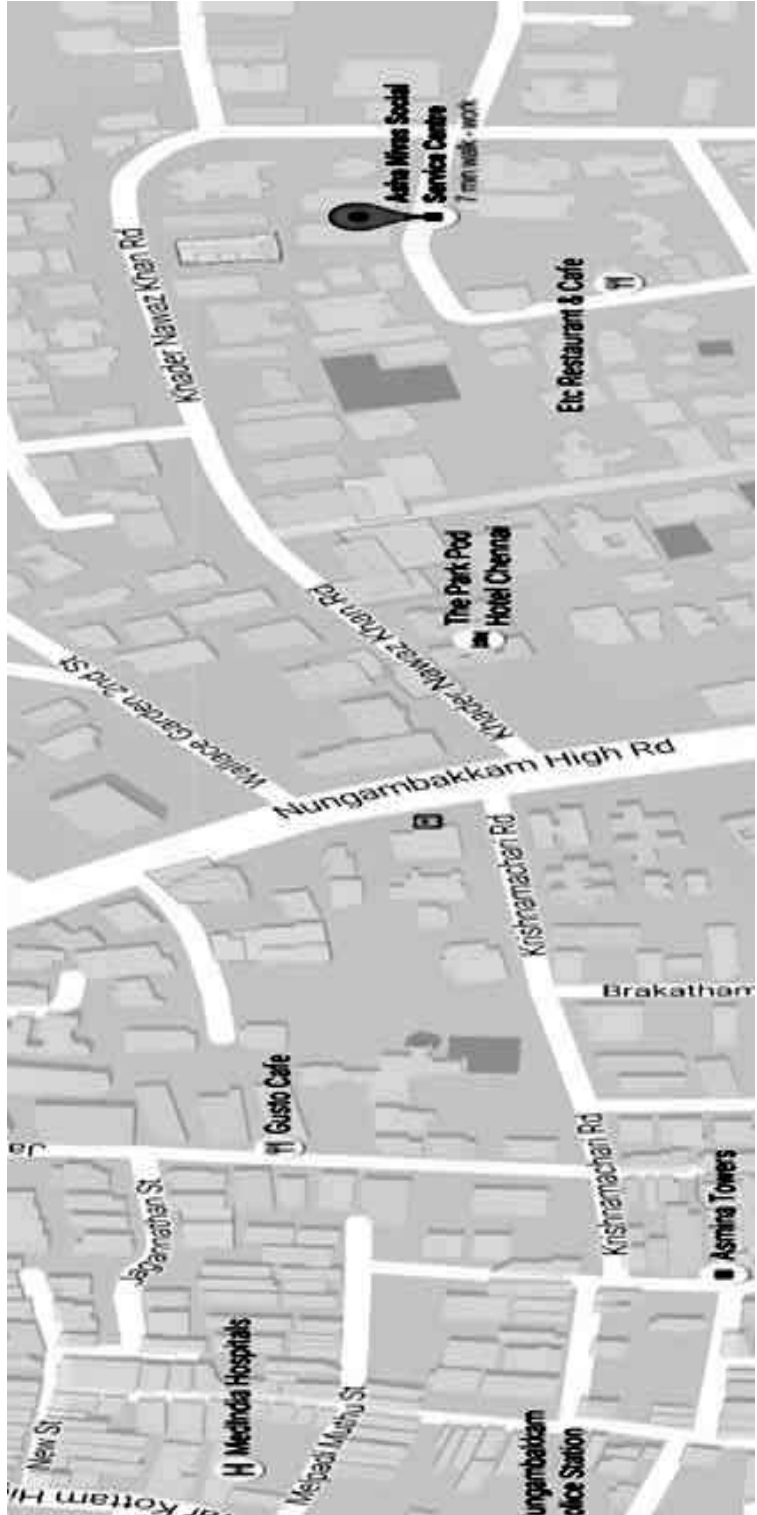
Route Map

33rd Annual General Meeting

Date : Monday 15th July 2019

Time : 4.00 pm

Venue: Asha Nivas, 'Aarthi', 9, Rutland Gate, 5th Street, Chennai – 600 006



## NOTES

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**BOOK POST**

**To**

If undelivered, please return to



**Twentyfirst Century Management Services Ltd**

Registered Office:

No.7, Old. No. 28A, Door No. G3, Eldams Road,  
Alwarpet, Chennai - 600 018.