



PROACTIVE AND PREPARED

Annual Report
2019-20

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Cautionary and Forward-Looking Statement

Statements in this Annual Report describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those in such forward-looking statements. Important developments that could affect the Company's operations include, significant changes in political, regulatory and economic environment in India or key financial markets abroad, tax laws, litigation, interest and other costs.



To view this report online and to know more about Geojit, visit:
www.geojit.com



The financial market landscape is passing through interesting times. Realities are changing fast with technology disruption and ever-changing customer aspirations. The COVID-19 pandemic has only accelerated this. There is no clear direction as to where the world and markets are headed.

Finding solutions and operating in these times will not be simple. One thing is for sure, opportunities in these times will be fleeting. Investors must be armed with the right information to transact with speed and have an advisor whom they can trust.

This is where Geojit Financial Services Limited finds its relevance. We have acted with speed, agility and flexibility to be geared for such times. We have built a solid foundation with diversified portfolio, smart technologies, a disciplined approach to capital market, and a resilient value creation model. We have created a robust offline-online business model that is enabling us to serve customers with vigor. Our constant innovation across products, processes and services as well as our honest and ethical practices has strengthened our reputation as a trustworthy advisor. Our sustained focus on widening our products and services portfolio has made us a one-stop solution for our customers. And, our investments in digital platform and rationalizing resources have optimized our costs.

Today, the goodwill of brand Geojit has gained a new stature, translating into unwavering trust of over a million of customers and encouraging performance.

At Geojit, we have proactively built our business to excel tough times as well as favorable times. We are now prepared for the next wave of growth.

Geojit: A One-Stop Shop for all Investment Needs

We are a fast-growing investment services company offering holistic solution for all investment needs of customers including financial planning, investment advisory, product distribution and stock broking. With our decades of strong research-led knowledge and technology platform, we are facilitating customers to protect and build wealth over the long term. Over the years, we have strengthened our reputation as a pan-India player with sustained high-quality performance and unblemished track record of transparent and ethical business practices. We are now one of the most preferred investment advisors and enjoy strong relations with our customers.

10,46,500

Customers



₹28,435Crore

Asset Under Custody
and Management



₹434Crore

Market Capitalization



2,354

Employees



₹3,750Crore

Mutual Fund AUM



₹610Crore

Net Inflow Equity-Oriented
MF Schemes



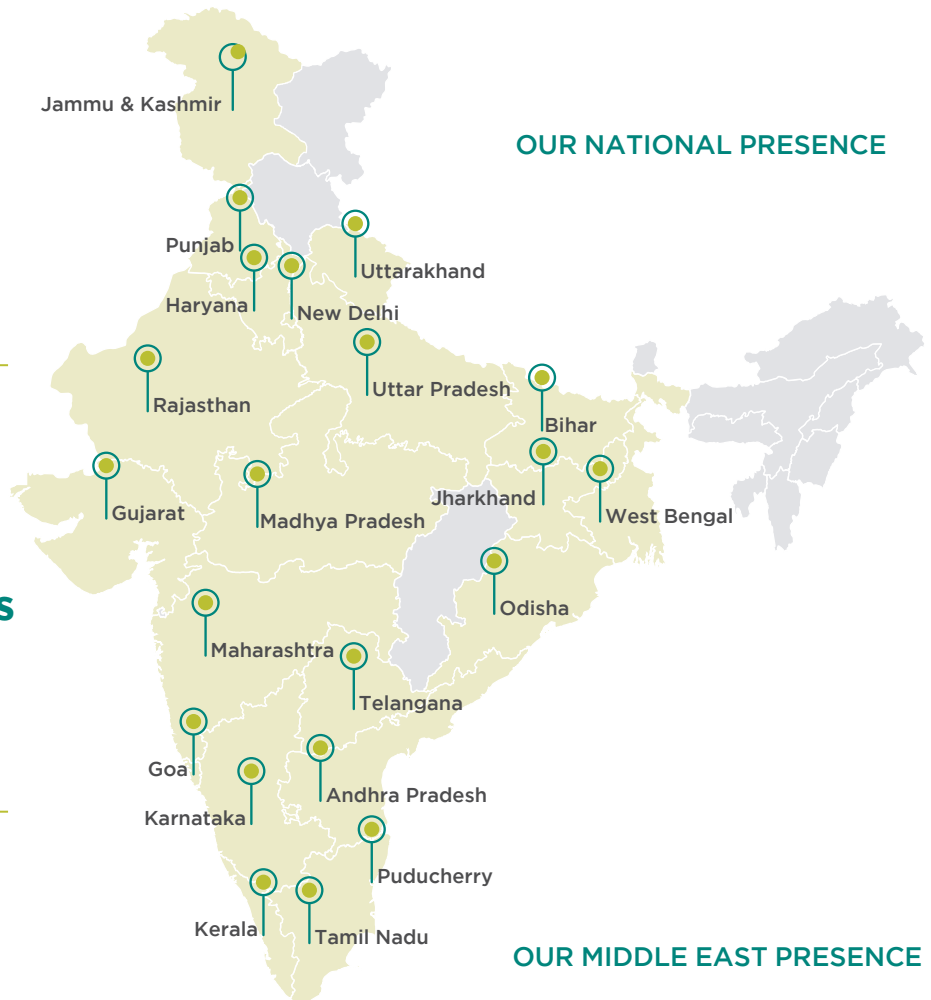
Geographic Presence

We have a strong presence in India through a network of 457 offices across 19 states and 2 Union Territories and in four Middle East countries through joint venture partners. Our network enables increased connect with customers ensuring ease of access.

19 States and
2 Union Territories
In India

4 Countries
In Middle East

464 Offices
across India and
Middle East



Our Business Model

We have established a robust business model underpinned by strong office network and versatile technology platform which enables us to ensure personalized attention and advisory to customers. It is supported by an extensive line-up of products and services which makes us a one-stop investment service venue for customers. It enables us to deliver returns sustainably to shareholders and ensure wealth creation for our customers.

We have a very strong offline platform with extensive branch network that facilitates closer reach to customer and maintain deep relations with them. We especially have strong presence in sub-A type cities where customers value the advice received and prefer to do offline transactions

OFFLINE MODEL



Our Hybrid Business Model



ONLINE MODEL

We have a strong investor-oriented technology platform that enables customers to make seamless and hassle-free online investment



Our Business Approach

Provide advisory and personalized attention along with a diversified mix of products to help customers protect and grow their wealth while developing long-term relations to facilitate cross-sales.

SOLUTIONS OFFERED FOR DIVERSE NEEDS OF CLIENTS

BROKING SERVICES

Equity and Currency
Derivatives, Commodity
Derivatives, Margin Trading

Our Edge

- Online and offline support
- Research on 156 stocks across multiple sectors and economy and technical research
- State-of-the-art SELFIE trading and investment platform powered with latest web technology and designed to maximize user experience
- Margin Funding
- Depository Services

FINANCIAL PRODUCT DISTRIBUTION

Mutual Funds, Systematic
Investment Plans, Insurance
(Life, Health and General),
Loan Distribution

Our Edge

- Advanced MF platform / app Funds Genie
- Extensive distribution network
- Collaboration with ICICI Prudential and MetLife for Life Insurance
- Collaboration with Bajaj Allianz General Insurance, Cigna, Star Health, ICICI Lombard, GoDigit for Health and General insurance

ADVISORY SERVICES

Financial / Retirement /
Tax Planning, Portfolio
Management Service,
Investment Advisory Services/
Equity SIP/ Smart Folios

Our Edge

- Strong team of Certified Financial Planners (CFP) supported by advanced technologies
- Customized and personalized solutions

Our Strategic Priorities

Strengthen Portfolio

- Introduce additional features and products to address complete financial needs of customers
- Undertake customer investor education program to create awareness about various investment avenues

Optimize Cost

- Rationalize branch network and people resources
- Invest in automation and optimization technologies

Strengthen Technology

- Sustained investment in technology to ease processes and enhance facilities for clients

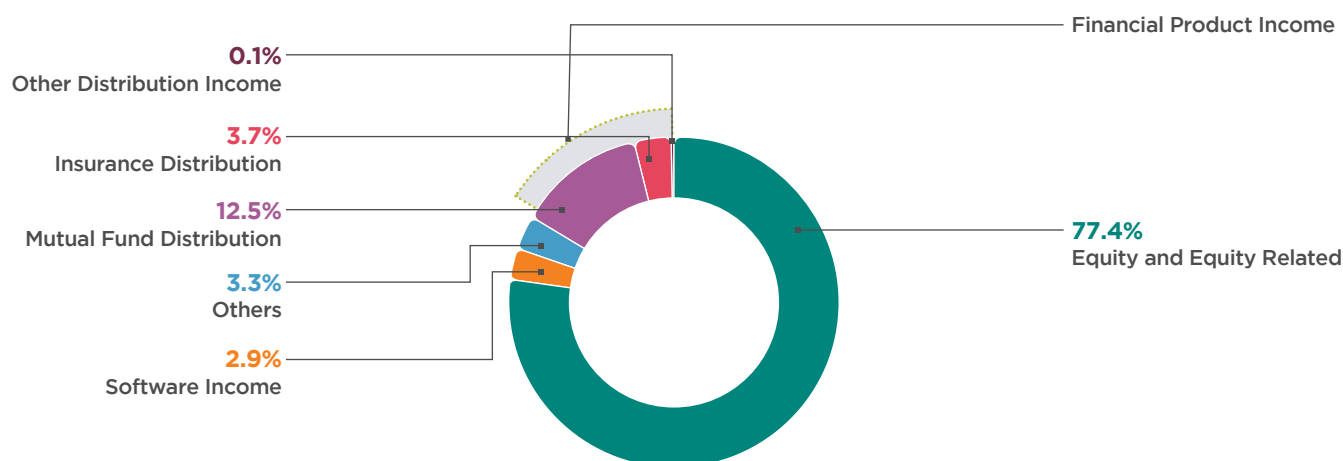
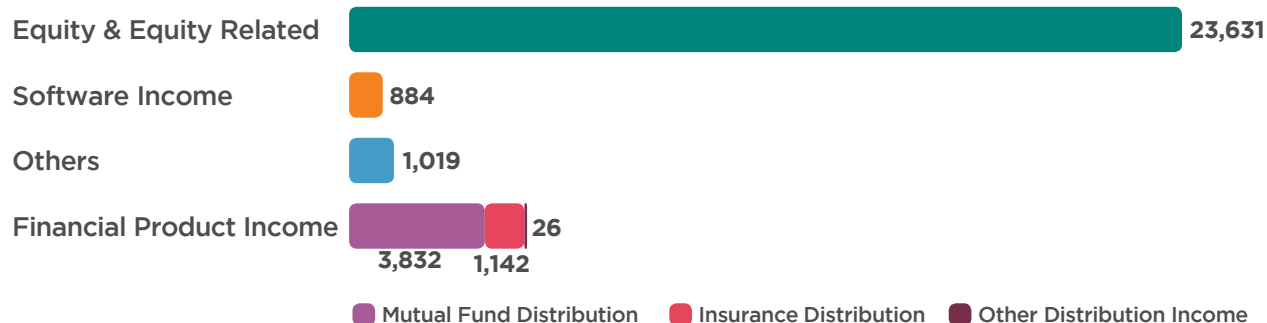
Nurture People

- Ensure customer-centric and ethical work culture
- Nurture our skilled people

Key Performance Indicators

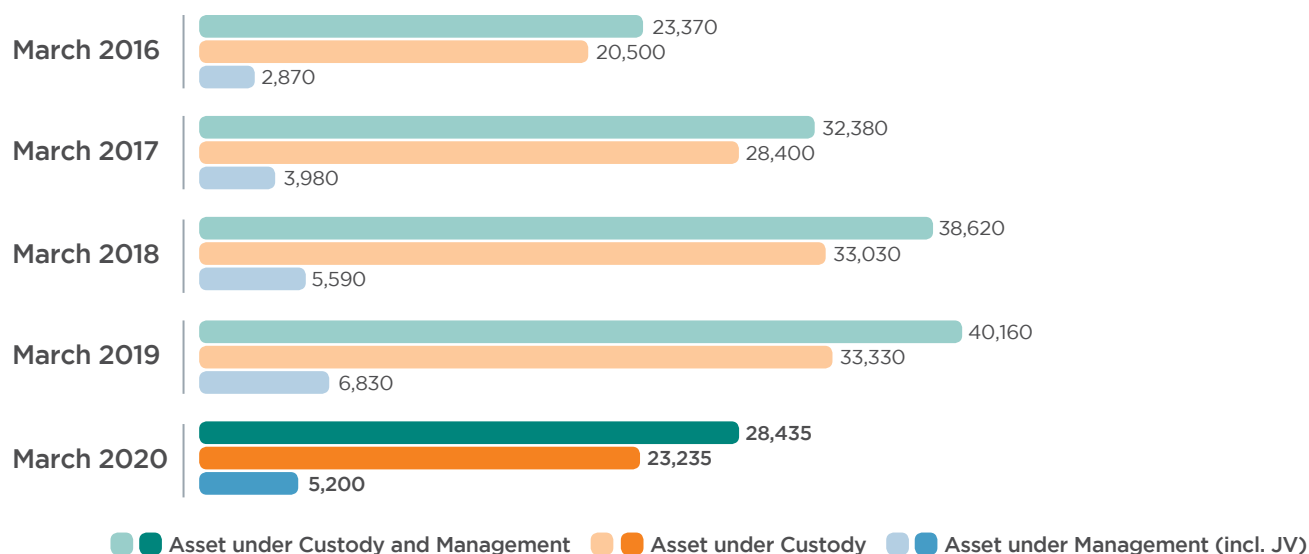
Our Diversified Revenue from Operations

(₹ in Lakhs)



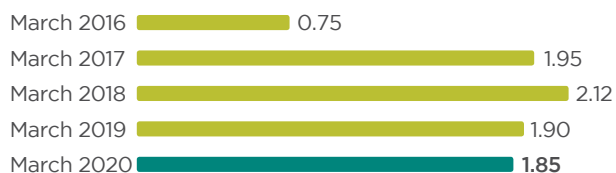
Asset under Custody and Management

(₹ in Crore)



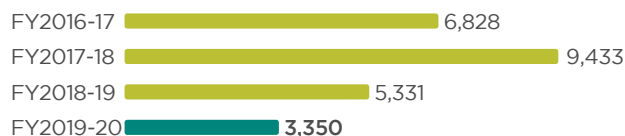
SIP Book Size Market Share

(%)

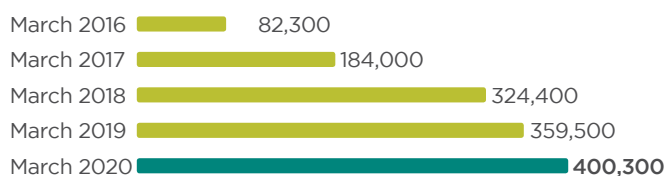


New SIP Value

(₹ in Lakhs)



SIP Count



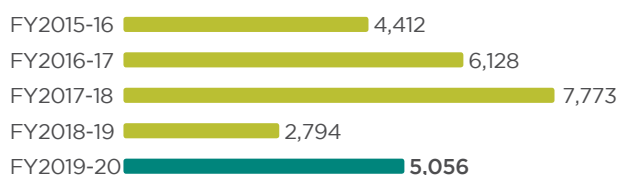
Revenues

(₹ in Lakhs)



Total Comprehensive Income

(₹ in Lakhs)



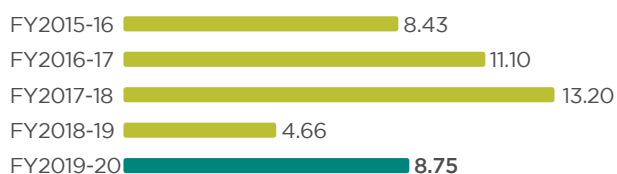
Total Equity

(₹ in Lakhs)



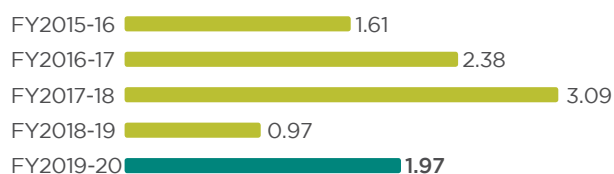
Return on Equity

(%)



Earnings per Share

(in ₹)



Message from the Chairman



WITH OUR TECHNOLOGY PLATFORM AND CUSTOMER-CENTRIC APPROACH, WE REMAINED CONSTANTLY IN TOUCH WITH CUSTOMERS TO OFFER VALUABLE ASSISTANCE.

Dear Shareholders,

Disruptions can be overwhelming. Those unprepared during such times often have to bear the brunt. The COVID-19 pandemic has been a classic example of this. Its initial outbreak, the subsequent spread globally and worldwide lockdown to reduce its health impact have had significant impact on business and economies.

These tough times have tested the resilience and adaptability of companies. The way Geojit has responded to this by enabling employees to work from home and ensuring terminals at the residence of dealers to enable business continuity and uninterrupted trading is an instance of this. It is noteworthy that with our technology platform and customer-centric approach, we remained constantly in touch with customers to offer valuable assistance.

That said, we will have to be vigilant and agile to better understand and respond to the evolving dynamics as we come out of it.

FY 2019-20 has been an eventful year. Worldwide we saw issues of elevated trade barriers and low manufacturing activity. In India, the economic activity remained subdued led by NBFC crisis in the wake of which the financial services sector reduced lending. Lower infrastructure activity due to fiscal

constraints and weak consumer sentiments dampened the overall capital market sentiments.

Though there was a brief period of recovery due to improving global scenario and various initiatives by the Government of India including reforming FDI laws, recapitalizing public sector banks and reducing corporate tax rate. However, the eventual sluggishness in macro-economy and the fallout of COVID-19 pandemic led to all major indices

shedding off the gains made through the year. NIFTY and SENSEX recorded their biggest quarterly fall with major sell-offs by foreign portfolio investors who pulled out a record ₹ 1.2 trillion from Indian debt and equity markets in March 2020. This resulted in the worst yearly performance by indices since 2009. Mutual Funds (MFs) also came under pressure. The Asset Under Management (AUM) of MFs declined by 6% to ₹ 22.26 trillion as on 31st March 2020. If we compare it with February 2020 when the AUM peaked, the decline was sharper at 18%.

While the market's reaction reflected the initial anxiety of investors to safeguard capital, things have eventually settled. Especially during the lockdown period when retail investors saw an opportunity to enter the market, leading to a surge in trading activity. That said, restriction in movement and social distancing norms will hit the financial products distribution business which to a great extent depends on face-to-face interactions with investors. Though, we will continue to be focused on growing the MF and insurance distribution business to enhance stability of our revenues and protect from market volatility shocks. Both these businesses are highly underpenetrated in India and offer significant scope for growth.

In MF, the regulator's (SEBI) move to reduce distributor commission and bring down the cost will play a catalyzing role in driving volumes. However, it will take time until the markets become favorable. While this move has brought down our yields, we believe these are sustainable levels for growth of the industry. Besides, the expected rise in volumes will to some extent offset the decline in yields. In insurance too, we see good opportunity. People are increasingly understanding its importance in overall financial portfolio mix to protect self and



WE WILL CONTINUE TO BE FOCUSED ON GROWING THE MF AND INSURANCE DISTRIBUTION BUSINESS TO ENHANCE STABILITY OF OUR REVENUES AND PROTECT FROM MARKET VOLATILITY SHOCKS.

family, and the recent overwhelming healthcare impact of COVID-19 has made it more evident. We are strengthening our technology platform to reach out to investors who are now more dependent on online services.

Our Performance

Amidst the challenging scenario, our total income declined by 1% to ₹ 30,534 lakhs in FY 2019-20. The revenue from the primary equity business declined 2% to ₹ 23,631 lakhs, however, proactive efforts to diversify and de-risk business by building a stable revenue source in the form of financial products provided support. Revenues from this business grew by 21% to ₹ 5,000 lakhs with incremental contribution from insurance distribution. Its share in overall financial products distribution rose from about 8% in FY 2018-19 to 25% in FY 2019-20.

The sharp correction in markets led to our SIP Asset Under Management declining from ₹ 2,092 crore as on 31st March 2019 to ₹ 1,798 crore as on 31st March 2020 resulting in a 5 basis points decline in SIP Book market share to 1.85%. The total Mutual Fund AUM (excluding JV) declined from ₹ 4,400 crore as on 31st March 2019 to ₹ 3,750 crore as on 31st March 2020.

Despite this, we registered a 13% growth in Profit before Exceptional Items and Tax to ₹ 7,411 lakhs in FY 2019-20 led by our efforts to reduce costs by rationalising branch network and staff strength. Total Comprehensive Income grew by a robust 81% to ₹ 5,056 lakhs.

Message for the Shareholders

Your Company is now operating at times where it is facing the challenge of increasing competition from the discount brokers and declining yields in the Mutual Funds distribution. As far as competition in broking is concerned, we feel that there is market for both discount and full-service brokers like us to operate sustainably. Having said that, we are focused on launching more products, enhancing service standards and increasing products features to strengthen our competitive edge. In the Mutual Funds, we believe that the decline in yield will be compensated by the growth in the volumes.

I think in these times the robustness and uniqueness of our business model will also be important. We are not just execution service providers; we are helping client to create wealth. This is the way we position ourselves in relationship with clients. And this strong relationship is established through multiple years of advisory and human interface. So, while our yields are under pressure, these relationships are helping us to increase revenue through cross-selling financial products to our clients as well as their family.

So, this is how Geojit is placed and we are confident of a better and more sustainable future. I thank all our stakeholders for their constant support. Your Company is constantly undertaking efforts to create more value.

Warm regards,

R. BUPATHY
Chairman

Message from the Managing Director



WE TOOK AN IMPORTANT DECISION TO STRENGTHEN THE DISTRIBUTION BUSINESS BY FOCUSING ON ADDING NEW PRODUCTS AND RELATIONS.

Dear Shareholders,

Character is what you are in the dark.

In this context, I must state that FY 2019-20 has been one of the most challenging years in the recent times.

From a weak global economy marked by trade crisis, sharp fall in oil prices and low manufacturing activity globally to a challenging domestic economy denoted by liquidity crisis and low consumer confidence. This year has seen it all. In the last quarter of the fiscal, we witnessed what one may call a once in a lifetime event unfold globally – the COVID-19 pandemic. It triggered unprecedented healthcare and economic crisis whose impact is going to be felt for some time. We stand by all those affected and salute our unflinching healthcare professionals.

As the pandemic spread, our top priority was to ensure the safety of our people and facilitating uninterrupted services and support to our customers. We deployed work from home (WFH) on 15th March 2020, a week before the implementation of national lockdown. Employees were facilitated with all necessary infrastructure and support to enable them work seamlessly alongside undertaking all necessary safety protocols to protect customer data. In fact, we are seeing great success of WFH initiative with higher level of productivity as evident in effective

handling of increased trade volumes during the lockdown.

The extended lockdown tested the resilience of our business model to respond with speed and agility. We believe that the world will be different place when we emerge out of this crisis. Many of those changes like remote working and digital interaction, may become the new normal.

Performance Review of the Year

Our brokerage business this year witnessed a marginal dip due to the overall macro-economic situation.

This downturn was compensated by the solid growth in the insurance business from ₹ 126 lakhs in the previous year to ₹ 1,142 lakhs in FY 2019-20. We added 10,500 clients in insurance and 23,150 in Mutual Funds, a majority of whom are our existing clients.

With the new Aadhaar verdict allowing digital on-boarding with customer's approval, we were quick to relaunch our digital on-boarding mechanism. Over 27% of new client sourcing this year was done through it. This platform will go a long way in making overall on boarding seamless and reducing the cost of client acquisition. We hope to reach above 80% in the current year to provide full digital experience.

We have undertaken initiatives towards strengthening our digital platform focused on two areas – improving features for customers and reducing costs. Several features were added to the trading platform for enhancing portfolio analysis and in the financial planning application to enhance advisory services. Mutual Fund reconciliation process has been automated leading to reduction in costs. We are also in the process of launching a full-fledged platform, currently in beta stage, to enable online purchase of Mutual Funds.

Responding to Declining Yields

Our business of late is witnessing decrease in yield due to increasing competition from discount brokers as well as reduction in Mutual Fund commission. While this is the new normal, we have taken multiple cost reduction initiatives to maintain margins. During the year, we undertook network consolidation exercise across select locations whereby 11 branches (7 franchise) were closed down. We have also steadily brought down the number of staff by 370 in the last year by investing in automation and optimization of human resources and processes. This is despite the increase in client base and growing operations which exemplifies the quality of our technology.

Besides, our business which operates on a relationship-led model also provides ringfencing from the growing competition as majority of our customers are from Sub-A type cities where human interface is still widely prevalent and relationships have been built over long period of time. While order execution may happen online, these customers value our regular interaction, personal attention and advisory. We are ensuring the success of this model by training employees in customer-centricity and handling customer needs with personal attention. So, in a way, our ability to maintain deep relations helps in generating more business through cross-selling.

Strategy for the Challenging Landscape

COVID-19 is here to stay. The growing cases, extension of lockdown and social distancing norms will trigger a new normal in the way businesses operate. We see these impacting our financial products distribution business which necessitate traveling and meeting clients. Brokerage business is, however, seeing good numbers as more and more investors trade from home.

Having said that, our Company is fully geared to navigate the crisis with ease. Our robust balance sheet provides cushion to handle shocks. Our robust technology platform is equipped to address all needs of our customers right from sourcing to transacting as well as providing unmatched value position of portfolio evaluation, robo advisory and financial planning. It will prove to be a key differentiator in customer services.

In these times, it will also be important for us to be with our customers and support them with more advisory on financial planning and asset allocation/investments. The employees have also directed to ensure right selling. In fact, I am immensely happy to see the

kind of dedication our people have displayed in supporting clients and going beyond the call of duty to help achieve their objectives. This can only be done when individuals are driven by a higher sense of purpose. I am sure once the market revives and sentiments turn positive these efforts will definitely translate into long-term business opportunities.

We plan to open new branches in regions with high potential in the north and east of India where we have relatively lower presence. Launch of innovative products and services for meeting various needs of customers will continue to be an important growth driver for us.

In Closing

We are entering the new fiscal year at a time when all major economies across the globe are battling economic crisis and many are still under partial lockdown. But this is more due to the pandemic, rather than any kind of structural challenge. And so, the recovery would be equally quick as soon as it gets under control. Until then it will be important for governments and citizens across the globe to act collectively and responsibly so that recovery is faster.

At this time, we will stay close to our customers and align ourselves to their needs. We will stay flexible and agile, innovative and optimistic to respond to market situation and explore newer ways to create value for our stakeholders. With our solid foundations and sustained efforts, I believe, that in the coming months our competitiveness will improve and that we will come out stronger and better positioned. I thank all our stakeholders for their trust. We seek your continued support as we traverse through these uncertain times.

Warm regards,

C. J. GEORGE
Managing Director

PROACTIVENESS Drives Business Diversification and Integration



At Geojit, we have evolved from a brokerage-driven to a diversified financial services player over the years. We are leveraging the combined resources and expertise of our various business divisions to provide bespoke products and services to help clients meet their financial aspirations. At the same time, it is enabling us to deliver consistent performance while making our business more de-risked and protected from market volatilities.

Business Stability with Diversification

We have evolved into a diversified investment services firm having presence right across the value chain of undertaking research, advisory and financial planning and providing products for investment, savings and protection needs. In FY 2019-20, we have also started loan intermediation to facilitate our customers' access to loans at attractive rates. These diverse, yet synergistic offerings are enabling us to meet all the evolving needs of our customers while providing cushion against revenue susceptibility due to market volatility. Our diversification across geographies and client segments further de-risks our business.

Opportunity to Cross-Sell

Our business is based on strong relationship with customers. Diversification in new, synergistic business areas provides an opportunity to cross-sell products with ease to our existing customers while ensuring lower cost of acquisition.



PROACTIVENESS

Ensures Sustained Wealth Creation for Customers



We are a trusted partner for our customers given our solid track record of enabling them to meet their financial goals, ensuring ethical practices and transparency. With our pool of skilled workforce, decades of market knowledge, investment in world-class technologies and focus on personal attention to clients, we are ensuring sustained wealth creation for customers.

Serving the Needs of Customers

We mostly cater to retail customers in sub-A category cities. Customers in these locations prefer to have a trust-based relationship with brokerage firm for advisory and financial planning. They prefer offline transaction and build long-term relationships with staff they deal with. Our ability to cater this to our clientele is facilitating in establishing strong relationships and makes us an attractive financial advisor to potential clients in these locations.

Wealth Creation with Insightful Research

We are one of the leading equity brokers and non-bank Mutual Fund distributors in the country. We stand committed to catering to the investment needs of our clients through our strong research and advisory team. With decades of experience in qualitative research of macro economy, sectors and companies, our research and advisory team's handhold customers in choosing the right products that offer stable returns and security based on their financial goals. Our research is appropriately supported through advanced technology. We also make our research reports and fund recommendations accessible to

customers through our trading platform Selfie and Mutual Fund App Funds Genie.

Striding ahead on this journey, we have initiated "STEPS", a specialized Financial planning and investment advisory division in FY 2019-20. Under the initiative, we intend to open offices that will only provide personalized Financial planning and advisory services to clients. STEPS will be a key platform to strengthen our position as quality advisors and will also help to create the new image as a professional financial planning providers. The project has been initiated on pilot basis in Kochi and based on its effectiveness more offices will be opened in other locations.

Investor Awareness Programs

Investor awareness programs is an important part of our business operations focused on educating investors on the various investment avenues available and their benefits. We also facilitate expert talk to address their concerns. With the outbreak of COVID-19, we are conducting the program online to stay connected with customers and potential investors. We also conduct sponsored program with asset management companies.

156

Stocks covered under research

14

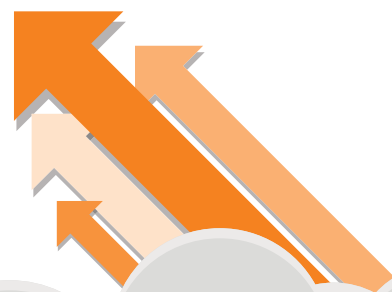
Research team size

131

Investor awareness programs conducted

12,132

Number of participants



PROACTIVENESS

Strengthens our Technology Edge



Technology is an important tool in the creation of consistent business value. Its proliferation across business functions and processes has resulted in increased speed and convenience with which customers transact with us. It is helping us reduce operational costs, create a scalable growth model, and deliver superior experience to customers.

Our robust technology-based trading and investment platforms have tools and resources that empower our clients to make the right and informed investment decisions as per their needs. During FY 2019-20, we continued to invest in upgrading our technology platforms with new features and adapting best technologies and practices for digitizing various processes. These are contributing to enhanced business productivity and superior customer experience. We also have an open architecture platform which facilitates bank's customers to open integrated 3-in-1 accounts with us and trade seamlessly through our sophisticated trading platforms.

Online Onboarding and Digital Marketing

With new Aadhaar verdict, we have relaunched our online onboarding mechanism to ensure seamless and hassle-free onboarding in our broking business. Customers can open account and start transacting without any branch support. We are also in advanced stage of launching a platform to enable online purchase of Mutual Funds. Further, with COVID-19 restricting movement of people for sales, we have intensified digital marketing to enhance brand visibility.

Our Trading and Investment Platforms

Selfie

An advanced trading platform that delivers enhanced investment experience.

Geojit Online Financial Planner

A user-friendly platform that enables clients to arrive at a comprehensive financial plan.

Funds Genie

An innovative app that enables investors to start investing in Mutual Funds with zero paperwork, track portfolio performance and view comprehensive reports.

Features added in FY 2019-20

- Complete automation of reconciliation

73%

Of trade executions happen through online platform.



Corporate Social Responsibility

Geojit has been at the forefront of bringing positive change in the society with initiatives focused on empowering communities, promoting education, and protecting environment.

Supporting Kerala Flood Relief

Our team undertook extensive coordination in the flood relief activities during Kerala floods. We also extended solidarity with the flood-affected people by donating ₹ 1.5 crore towards Chief Minister's Distress Relief Fund.



Empowering Communities

We supported deserving individuals with household goods such as furniture, electronic goods and utensils. We collaborated with the Indian Merchants Chamber (IMC), Mumbai to bring back normalcy in life of about 75 families. The first family in this Project at Parakkadavu a village in Kerala, whose owner is a widow with a partially deaf son and family, was given household items on their housewarming day.

We support the Cricket Association for the Blind in Kerala which is a registered society to promote and organize cricket for the blind in Kerala. Affiliated to the Cricket Association for the Blind in India, it has organized the first Asia Cup T-20 tournament for the blind.



Education Support

We are supporting 665 underprivileged children in five villages of Kerala State. Vidhyadhanam Scholarship scheme for Professional education, offers financial support to deserving students from financially deprived backgrounds. We are also undertaking a Student Police Cadet Project whereby support is provided to three schools in Ernakulam district to make youngsters committed to Family, Community and Environment.

Creating Livelihood Opportunities

We supported blind women at Vocational Training Centre, Pothanikkad a village in Kerala in taking up new engagements like file making, candle making and chalk production which has facilitated in improving their quality of life.



Board of Directors

1 Mr. Ramanathan Bupathy

Chairman and Non-Executive Independent Director

Mr. R Bupathy is a reputed practicing Chartered Accountant for last 40 years. He is the founding partner of Chennai based Chartered Accountants firm R. Bupathy & Co. He holds Directorship in Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited alongside Geojit Technologies Private Limited and Geojit Credits Private Limited. He graduated in Commerce and is a Fellow Member and Former President of the Institute of Chartered Accountants of India (ICAI). He has been on Geojit's Board since 2006.

2 Mr. C. J. George

Managing Director and CEO; Promoter

Mr. C. J. George, a financial services industry entrepreneur, is the founder and Managing Director of Geojit Financial Services Limited. He has over 30 years of professional experience in the securities market. He has a Master's Degree in Commerce and is a Certified Financial Planner (CFP) from Financial Planning Standards Board, India.

His directorships other than in Geojit Group companies include V-Guard Industries Ltd and Kerala Infrastructure Fund Management Limited. Mr. George has memberships in many professional bodies and is at present the Managing Committee Member of the Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi; the Advisory Committee Member of Indian Clearing Corporation Limited (ICCL) and a Member of the Syndicate of Cochin University of Science and Technology (CUSAT).

In the past, Mr. George was a member of the Executive Committee of National Stock Exchange (NSE), Mumbai and National Securities Depository Limited (NSDL), Mumbai. He is the past Chairman of Kerala State Council of Confederation of Indian Industry (CII) and he was on the Board of Directors of Kerala State Industrial Development Corporation Limited (KSIDC) and Joy Alukkas Ltd. He was a member of the Advisory Board of BNP Paribas India and Member of the Executive Committee of Cortal Consors SA. Also was a member of Executive Committee of Kerala Management Association (KMA) and Cochin Chamber of Commerce and Industry.

Mr. George is a recipient of Management Leadership Award of Kerala Management Association.

3 Mr. M G Rajamanickam IAS

Non-Executive Director (Nominee)

Mr. M G Rajamanickam is the Managing Director of Kerala State Industrial Development Corporation Ltd and Project Director of Kerala State Transport Project. He is a Master of Engineering by academics and got into Indian Administrative Services from Kerala Cadre in the year 2008. He served as the District Collector of Kannur and Ernakulam, CMD of Kerala State Road Transport Corporation, Managing Director of Kerala Financial Corporation Ltd., Kerala Books & Publication Society and Kerala State IT Infrastructure Ltd. etc.

4 Mr. Mahesh Vyas

Non-Executive Independent Director

Mr. Mahesh Vyas has been associated with the Centre for Monitoring Indian Economy (CMIE) for over 39 years and is presently its Managing Director and CEO. CMIE is India's leading independent business information company in the private sector which provides economic and business information, analysis and forecasts. He steered the Company through multiple transitions and is the chief architect of its databases, database-products and services. He currently engages in integrating CMIE's database services with clients' business processes and conducting large complex household surveys to generate fast frequency socio-economic indicators. He has been on the Board of Geojit since July 2003.

5 Mr. Radhakrishnan Nair

Non-Executive Independent Director

Mr. Radhakrishnan Nair was the General Manager of Corporation Bank and has four decades of rich experience in the financial sector. He was the Executive Director at Securities and Exchange Board of India (SEBI) during 2005-10 and a member of the Insurance Regulatory and Development Authority of India (IRDAI) during 2010-15. He serves as an Independent Director on the Board of ICICI Prudential Life Insurance Company Ltd, ICICI Securities Primary Dealership Ltd and ICICI Bank Ltd among other companies.

6 Mr. James Varghese IAS (Retd.)

Non-Executive Independent Director

Mr. James Varghese retired as the Additional Chief Secretary of Government of Kerala. An officer from Kerala Cadre, he has served in various capacities such as District Collector

- Malappuram and Idukki; General Manager - Kerala Financial Corporation and Principal Secretary to Government of Kerala. He has a Master of Science degree in Zoology from University of Kerala in addition to Diploma in Management and Post Graduate Diploma in Financial Management from Indira Gandhi Open University. Mr. James Varghese is currently on the Boards of Kerala School Teachers and Non Teaching Staff Welfare Corporation Ltd., Kerala State Housing Development Finance Corporation Ltd. and Kerala State Coir Machinery Manufacturing Company Ltd.

7 Mr. Punnoose George

Non-Executive Director

Mr. Punnoose George is a reputed industrialist with interests in manufacturing, plantations and educational institutions. He is the Executive Director of Kottukulam Group - Kottayam, and holds directorship in Unity Realtors Private Limited, Yulfono Estates Private Limited, Geojit Technologies Private Limited and Youth Empowerment Skills Foundation. He is also the Executive Chairman of SAINTGITS Group of Institutions. He is a graduate in engineering and a Master of Law. He has been on Geojit's Board since April 1995.

8 Mr. A. Balakrishnan

Executive Director

Mr. A Balakrishnan was the Managing Director of Geojit Technologies (P) Ltd. He joined our Company in 1998 and spearheaded its transformation into a technology-driven retail financial services intermediary with several pioneering innovations to enhance client's trading experience. In 2009, he was awarded the Kerala Management Association's "Manager of the Year" Award and in 2011 and 2013, was conferred the CIO100 Award by IDG India's CIO Magazine. He holds Directorship in Geojit Technologies Private Limited, Geojit Investment Services Ltd, Geojit Techloan Private Limited and Barjeel Geojit Financial Services LLC, Dubai. He was appointed as Geojit's Executive Director in 2018

9 Mr. Satish Menon

Executive Director

Mr. Satish Menon is a graduate in Commerce from Bombay University, a qualified Associate Cost and Works Accountant (AICWA) and a CFP. He joined Geojit in 1999 and has been instrumental in driving its business and spearheading several initiatives. He holds Directorship in BBK Geojit Securities, Kuwait. In 2016, he was awarded "Manager of the Year" by Kerala Management Association (KMA). He was appointed on Geojit's Board as Executive Director in 2018.

Corporate Information

Name of the Company

Geojit Financial Services Limited
CIN: L67120KL1994PLC008403

Board of Directors

R. Bupathy
Chairman

C. J. George
Managing Director

M. G. Rajamanickam IAS
Non-Executive Director (Nominee)

Mahesh Vyas
Non-Executive Independent
Director

Radhakrishnan Nair
Non-Executive Independent
Director

James Varghese IAS (Retd.)
Non-Executive Independent
Director

Punnoose George
Non-Executive Director

A. Balakrishnan
Executive Director

Satish Menon
Executive Director

Management Team

C. J. George
Managing Director

Satish Menon
Executive Director

A. Balakrishnan
Executive Director

Sanjeev Kumar Rajan
Chief Financial Officer

Kamal Mampilly
Chief of Human Resources

Bankers

Axis Bank Ltd
HDFC Bank Ltd
State Bank of India
BNP Paribas
Federal Bank Ltd.
ICICI Bank
IndusInd Bank
South Indian Bank
IDBI Bank

Registrar & Share Transfer Agents

S.K.D.C Consultants Limited
Kanapathy Towers, 3rd Floor,
1391 / A - 1, Sathy Road, Ganapathy,
Coimbatore - 641 006
Tamil Nadu, India.

Statutory Auditors

M/s B S R & Associates LLP
(ICAI Regn. No. 116231W/W-
100024)

Chartered Accountants
3rd Floor, Syama Business Centre,
N H Bypass Road, Vytilla
Kochi - 682 019, Kerala, India.

Registered Office

11th Floor, 34/659-P,
Civil Line Road,
Padivattom, Kochi - 682 024,
Kerala, India.
Phone: 0484 - 2901000
Fax: 0484 - 2979695
E-mail: mailus@geojit.com

Website: www.geojit.com

Listed On

National Stock Exchange of India
Limited (NSE)
BSE Limited (BSE)

Company Secretary

Liju K. Johnson



Management Discussion and Analysis



As per the provisional estimates of Central Statistics Organisation (CSO), India registered a GDP growth rate of 4.2% in FY 2019-20, as compared to 6.1% in FY 2018-19. The Indian economy faced growth deceleration in FY 2019-20 due to structural and cyclical factors. Slowdown in investment, decrease in consumption demand, and the liquidity crunch, among others, impacted the Indian economy.

GLOBAL ECONOMIC OVERVIEW

The global economy recorded the lowest growth rate of 2.4% in 2019, mainly due to the protracted trade disputes. This is the slowest global economic growth expansion since the global financial crisis in 2008-09, with growth trending down in all major economies. Although, it was expected that growth would pick up on the back of softening of commodity prices, revival in emerging nations and lower base effect, world witnessed one of the severest health crises. The novel Coronavirus pandemic crippled economic activity across the world due to continued lockdowns by various countries. According to World Bank - Global Economic Prospects June 2020, global economic growth is expected to contract by 5.2% in 2020, much worse than the global financial crisis of 2008-09.

The health and economic uncertainty bring multi-layered challenges for policymakers across the globe, comprising health and safety, changing consumer behavior, plummeting external demand, capital outflows, and collapse in the commodity prices. The pandemic led to economic turmoil in financial markets

across the globe. The rapidly worsening risk sentiment prompted central banks across the globe to provide stimulus measures including a series of rate cuts, liquidity support measures and large asset purchase programs.

Since the outbreak of pandemic in the first quarter of 2020, energy and metal prices fell sharply, reflecting the pause in economic activities. Restrictions in travel and storage shortages led to sharp decline in oil prices in the early 2020. Further, due to non-agreement between OPEC coalition partners, oil prices declined to historic levels of USD 20 per barrel in March 2020. Later in April 2020, it recovered due to the arrangements between OPEC coalition partners.

Future Outlook

Policymakers across the globe are taking swift actions to contain the pandemic and re-boot the economic activity. In addition to fiscal and monetary measures, governments have adopted other measures including direct cash transfers to public using technology, enhancing healthcare systems, subsidies, tax relief and

relaxations in credit policies to businesses etc. The global economy is set to witness one of the deepest recessions since the Great Depression of 1930s.

Emerging market and developing economies (EMDEs) are expected to contract by 2.5% in 2020, and economic activity in advanced economies is forecasted to shrink by 7%, due to the disruption caused by the pandemic.

Global growth rate is expected to rebound in 2021 at 4.2%. The rebound is dependent on the pandemic fading in the second half of 2020, allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence. The estimated recovery assumes that policy actions are effective in preventing widespread firm bankruptcies, extended job losses, and system-wide financial strains.

EMDEs are expected to grow at 4.6% and advanced economies at 3.9% in 2021. However, the downside scenario is more severe – the global economy could shrink this year by as much as 8% (5% for EMDEs), followed by a weak recovery at just above 1% growth next year. (Source: World Bank)

INDIAN ECONOMIC OVERVIEW

As per the provisional estimates of Central Statistics Organisation (CSO), India registered a GDP growth rate of 4.2% in FY 2019-20, as compared to 6.1% in FY 2018-19. The Indian economy faced growth deceleration in FY 2019-20 due to structural and cyclical factors. Slowdown in investment, decrease in consumption demand, and the liquidity crunch, among others, impacted the Indian economy. The government has initiated various measures to bring the economy back on the growth path.

Inflation rate measured by the Consumer Price Index (CPI), moderated to 5.9% by March 2020 from the peak 7.6% in January 2020. This was largely due to the decline in food prices. RBI expects inflation to remain firm in the first half of 2021 and to fall below the target of 4% in the second half of 2021, driven by expectations of a normal monsoon, softening of food prices and fall in crude oil prices.

COVID-19 and its potential impact: COVID-19 pandemic presents fresh challenges with falling demand and supply chain disruptions. The subsequent nationwide lockdown paralyzed most economic and commercial activities and caused severe disruptive impact on demand and supply side factors. Spill-over effects from weak global growth and balance sheet stress also weighed down on economic activity. The fast and

continual spread of the pandemic and the resultant restrictions are already having an adverse impact on consumption and investment in the Indian economy.

The MSME sector that contributes around one-third to India's GDP has been hit particularly hard by the current crisis. Given the large share of India's workforce, the slowdown in this sector is likely to have severe repercussions on employment and the economy.

Monetary support post COVID-19

Policymakers announced substantial fiscal, monetary and financial market measures to support the economy in a post COVID-19 scenario. On the fiscal front, the government first rolled out a ₹ 1.7 trillion relief package for India's marginalized population, to help them tackle the challenges caused by the pandemic. Later, a ₹ 20 trillion economic package under the 'Atmanirbhar Bharat Abhiyan' was announced to help the economy tide over the crisis, which is approximately 10% of the country's GDP. This was aimed at infusing credit flow into the severely impacted sectors and to create a multiplier effect on the economy. The package includes a series of relief measures, guarantees, relaxations and liquidity infusions primarily focusing on four themes – MSMEs, rural economy, liquidity support and long-lasting policy reforms.

The RBI also reduced the repo rate by a cumulative 115 bps to 4.0% and reverse repo rate by 155 bps to 3.35%. It also slashed the cash reserve ratio by 100 bps to release ₹ 1.37 lakh crore across the banking system. In addition, it allowed commercial banks and non-bank finance companies to offer their customers a three-month moratorium on payment of installments on their loans. Further, in May 2020, it extended such moratorium period by another three months to 31st August 2020. These measures are expected to provide adequate liquidity into the system and help mitigate the impact of COVID-19 pandemic.

Future Outlook

The International Monetary Fund (IMF) in its World Economic Outlook – June 2020 has projected a sharp contraction of 4.5% for the Indian economy in 2020, believing that the lockdown impacted the economy considerably. However, it believes that as the lockdown unwinds and the economy opens up, country is expected to bounce back in 2021 with a robust 6% growth rate.

RBI expects India's GDP growth in 2021 to remain in the negative territory. India, like rest of the world, is in uncharted territory in the pandemic. The pandemic and the lockdown resulted in the stoppage and even

collapse of several economic activities. Considering the pandemic-related economic slowdown, the next year's fiscal deficit is expected to rise further. On the positive side, India has a considerable cushion in foreign exchange reserves at USD 501.7 billion, as on 5th June 2020. The economic disruption caused by the pandemic would result in demand and supply shocks, combined with large scale job losses, countering any recovery anticipated earlier in the year.

INDUSTRY OVERVIEW

Indian BFSI Sector

The Indian banking sector demonstrated tremendous strength in transforming and leaping ahead in the last decade to become the backbone of economy. Several factors including policy support, improving business fundamentals, product and services innovation and severe under-penetration played a critical role for the development of the sector. During FY 2016-20, India's credit off-take grew by a CAGR of 11% from USD 1.15 trillion in FY 2015-16 to USD 1.93 trillion in FY 2019-20, supported by economic growth, increasing consumerism and easier access to credit. During the period, deposits grew by a CAGR of 4.84% from USD 1.5 trillion in FY 2015-16 to USD 1.9 trillion in 2020 due to higher savings amid rising income levels and better penetration.

However, the year under review was challenging as credit growth declined, affecting the overall credit growth, particularly in the informal sector. Bank credit growth decelerated to an over five-decade low of 6.14% in FY 2019-20, from 13.3% during FY 2018-19. This was due to muted economic growth, lower working capital requirements and risk aversion among lenders, which compressed the incremental credit growth.

Deposits under the Pradhan Mantri Jan Dhan Yojana (PMJDY) have increased to ₹ 1.35 lakh crore with 39.19 crore accounts opened in India as of May 2020. The Unified Payments Interface (UPI) recorded 1.23 billion transactions in May 2020, valued at ₹ 2.18 lakh crore (USD 29.26 billion).

According to Knight Frank's Wealth Report 2020, India's economic advantage is its large and growing consumer base, which helps in general wealth creation. The number of ultra-high net worth individuals (UHNWIs with net worth of more than USD 30 million or about ₹ 220 crore) in India is expected to grow by a whopping 73% in the next five years to 10,354 in 2024 – from 5,986 in 2019.

The Mutual Fund industry added over 72 lakh new folios in FY 2019-20, taking the total to an all-time

high of approximately 9 crore by end of March 2020, from 8.24 crore in March 2019. India scored a perfect 10 in protecting shareholders' rights on the back of reforms implemented by the capital market regulator, the Securities and Exchange Board of India (SEBI), in the World Bank's Ease of Doing Business 2020 Report. During FY 2019-20, equity markets witnessed 13 IPOs and raised a total amount ₹ 20,350 crore, which represents an increase of 38% YoY, as compared to ₹ 14,719 crore raised in FY 2018-19 with 14 IPOs.

Highlights

- Trading turnover at NSE from the capital market (CM) segment was ₹ 89.98 lakh crore with a market capitalization of ₹ 112.43 lakh crore in FY 2019-20.
- The net assets managed by the Mutual Fund industry in India declined by 8% from ₹ 24.28 trillion in FY 2018-19 to ₹ 22.26 trillion in FY 2019-20. This is mainly due to the fall in equity markets and corporates withdrawing from debt funds.
- SIP contribution by Investors increased to ₹ 100,084 crore in FY 2019-20 from ₹ 92,693 crore in FY 2018-19, registering 8% increase over the previous financial year.
- Mutual Funds SIP accounts increased to 3.12 crore as on March 2020 from 2.62 crore in March 2019. AMFI data shows that the MF industry added about 9.95 lakh SIP accounts monthly on an average during FY 2019-20 as against 9.13 lakhs added in FY 2018-19. The average ticket size of SIP stood at ₹ 2,750 in FY 2019-20 vs. ₹ 3,070 in the previous year.
- Net inflows into equity funds, which also include equity-linked saving schemes (ELSS), were ₹ 81,600 crore in FY 2019-20 as against ₹ 1.11 lakh crore in the previous fiscal as the equity markets were highly volatile.
- Indian asset management industry is among the fastest growing in the world with 44 Asset Management Companies operating in the country.

Money and Capital Market

Capital markets play a crucial role in the economic development of a country. They provide financial resources required for the long-term sustainable development of the economy. Capital markets are therefore considered an important element as it enables higher productivity growth, higher real-wage growth, greater employment opportunities and greater macro-economic stability.

The net assets managed by the Mutual Fund industry in India declined by 8% from ₹ 24.28 trillion in FY 2018-19 to ₹ 22.26 trillion in FY 2019-20. This is mainly due to the fall in equity markets and corporates withdrawing from debt funds.



In terms of size, all the major segments of the capital market, viz., Central Government securities (G-Sec) market, market for State Development Loans (SDL), corporate bond market and equity market – the so-called ‘cash markets’ – have experienced consistent growth during the past few decades in terms of primary issuance, market capitalization (for equity market) and trading volumes in the secondary market. Equity market continues to remain the largest segment, even as G-Sec, SDL and corporate bond markets have grown steadily.

The Mutual Fund industry has made significant contribution to the Indian capital market by bringing small ticket investors into the fold of investing. During the year under review, the MF distribution space witnessed product innovation in the form of SIPs and alternative investment funds; improved reach and penetration in conjunction with channel partners to bring smaller investors into the pool; and generated investor interest through focused marketing and awareness campaigns. Regulatory changes focused on standardization of MF schemes, disclosure transparency, reduction in total expense ratio (TER) and commission guidelines have been essential enablers of growth while protecting investors' interest.

Equity Markets

Equity markets continued to remain volatile due to the general election, slowdown in GDP growth and also due to the coronavirus pandemic. The sentiment in the stock markets across the world has been gloomy. This is reflected in frequent crashes in the equity markets in all parts of the world. Financial markets in India also have been witnessing sharp volatility as a result of the fallout in global markets.

India's main stock indices in FY 2019-20 logged their worst performance in a financial year since the fiscal ending March 2009 as the turmoil in the market since February 2020 triggered by the global outbreak of the Coronavirus erased all the gains made in almost 11 months. During the month of March 2020, all the sectoral indices witnessed negative trends due to the impact of the COVID-19 pandemic. Consequently, Nifty 50 closed at 8,598 and S&P Sensex closed at 29,468 at the end of March 2020, representing a negative return of 26% and 24%, respectively, from its levels touched in March 2019. Markets across large, mid, and small caps corrected sharply from their peaks. During FY 2019-20, the BSE mid-cap 150 fell by 29%, while the Sensex fell by 24%. Investors across the Asian markets witnessed their wealth erode by 10% to 15% in their respective

equity markets between the period February to May 2020, with only China showing signs of resilience.

Commodity Markets

India is one of the top producers of a large number of commodities, and also has a long history of trading in commodities and related derivatives. For an emerging market like India, commodities are an important driver of the capital market and commodity derivatives have a huge potential in such a market. The Indian commodity market has a huge untapped potential as it is largely underdeveloped and less explored when compared with some developed nations. The commodity derivative market in India has witnessed a rapid transformation in the last decade. It is currently undergoing a number of reforms, aimed at broadening and deepening the market. Intermediaries and Exchanges are being strengthened and more products and participant categories, most notably institutional participants, are being progressively allowed in this market.

The commodity market in India has gradually grown with newer options (agricultural as well as non-agricultural commodities) becoming increasingly available to customers. Metals, base metals, crude oil, energy and soft commodities like palm oil, and coffee among others, are getting traded in the market. MCX was one of India's first commodity exchanges to be set up. Today, 6 national level commodity derivative exchanges are functioning. The total turnover in futures trading rose 27% to ₹ 83.97 lakh crore in FY 2019-20, driven by a surge in bullion and energy turnover. The

average daily turnover increased 26.42% to ₹ 32,423 crore during this period, from ₹ 25,647 crore in FY 2018-19. According to data, MCX's Bullion turnover increased by 93% YoY to ₹ 29.15 lakh crore, while that of energy was up 56% YoY to ₹ 38.13 lakh crore.

Derivatives

In India, equity derivative market is rapidly growing. Currently, 3 indices and 162 securities are traded as underlying assets in the futures and options segment on the NSE. The market regulator has initiated the process of improving the equity derivative market in the country by seeking views from market participants. Among the three exchanges in the equity derivative market ecosystem, NSE has a market share of 99.6% and BSE registered a share of 0.40%. The total turnover in the derivatives segment in FY 2019-20 increased by 45% to ₹ 34.54 lakh crore. Over the last five years, equity derivatives daily average turnover has increased by 70% - from about ₹ 52,371 crore in CY 2015 to ₹ 88,772 crore in CY 2019. NSE has become the world's largest exchange by trading volumes in 2019, outpacing US-based CME group, the world's largest derivatives marketplace.

Insurance

The insurance industry is critical to the economic development and growth of a country, as it boosts risk-taking and at the same time securing growth. The Indian insurance sector is at the cusp of exponential growth. The life insurance industry in India collected new business premiums of ₹ 2.59 lakh crore in FY 2019-



Gross premium collected by life insurance companies in India increased from ₹ 2.56 trillion (USD 39.7 billion) in FY 2011-12 to ₹ 7.31 trillion (USD 94.7 billion) in FY 2019-20. During FY 2012-20, premium from new business of life insurance companies in India increased by 15% CAGR to reach ₹ 2.13 trillion (USD 37 billion).

20, implying a growth of 20.6% over the corresponding year. The massive growth in the industry was driven by state-owned LIC which witnessed a rise of 25.2% YoY in its new business premium collection at ₹ 1.78 lakh crore in FY 2019-20. This amplified its market share in terms of new business premium to 68.7% in FY 2019-20 – from 66.2% last year. The new business premiums of private life insurers increased 12% in FY 2019-20 to ₹ 80,919 crore.

The 23 private life insurance and 27 private non-life insurance companies in the Indian market accounted for 42% of the total new business premium in FY 2019-20. The total number of life insurance policies in FY 2019-20 increased marginally by 0.7% to 2.89 crore. Enabling policy reforms, increasing adoption of technology, positive demographic changes, young insurable population and growing awareness of the need for protection and retirement planning will support the growth of Indian life insurance. In addition, innovative products, distribution channels and growing use of Internet are expected to push this demand further.

India remains vastly under-insured, both in terms of penetration and density. Globally, Indian insurance market stood at 17th in terms of penetration. As per FICCI, India currently has 605 million people below the age of 25 and 225 million in the age group of 10-19 years. The insurable population is expected to touch 750 million by 2020.

Gross direct premiums of non-life insurers in India increased by 11.7% to ₹ 1.89 lakh crore in FY 2019-20 from ₹ 1.69 lakh crore in FY 2018-19. General insurance contributed 87% of Gross Direct Premiums and recorded an increase by 9.5% YoY. While that of Standalone Private Health insurers and Specialized PSU insurers increased significantly by 27% and 30% YoY to ₹ 14,470 crore and ₹ 10,613 crore in FY 2019-20, respectively.

The insurance industry in India is expected to reach USD 280 billion by 2020. Life insurance industry in the country is expected to grow 12-15% annually over the next three to five years. Gross premium collected by life insurance companies in India increased from ₹ 2.56 trillion (USD 39.7 billion) in FY 2011-12 to ₹ 7.31 trillion (USD 94.7 billion) in FY 2019-20. During FY 2012-20, premium from new business of life insurance companies in India increased by 15% CAGR to reach ₹ 2.13 trillion (USD 37 billion).

As per Union Budget 2019-20, 100% foreign direct investment (FDI) was permitted for insurance intermediaries. Pradhan Mantri Jan Arogya Yojna

(PMJAY), the world's largest social health scheme, is expected to provide coverage to around 50 crore people. A Fund of ₹ 6,400 crore (USD 887 million) has been allocated for FY 2020-21, which is thrice that of last year. Enrollments under the Pradhan Mantri Suraksha Bima Yojana (PMSBY) reached 154.7 million till December 2019 since its launch.

Going forward, increasing life expectancy, favorable savings and greater employment in the private sector is expected to fuel demand for pension plans. CARE Ratings projects the insurance industry to continue growing at around 14% to 15% per annum. The momentum is expected to be maintained owing to factors like growing awareness, increasing urbanization, product innovation, multi-channel distribution, and tax benefits, among others.

Mutual Funds

The average AUM of the Indian MF Industry has grown by 10% to ₹ 27.03 trillion on 31st March 2020 as against ₹ 24.48 trillion on 31st March 2019. The industry's AUM had crossed the milestone of ₹ 10 trillion (₹ 10 lakh crore) for the first time in May 2014 and in a short span of about three years, the AUM size had increased more than twofold and crossed ₹ 20 trillion (₹ 20 lakh crore) for the first time in August 2017. As on 31st March 2020, the total number of accounts (or folios as per mutual fund parlance) stood at 8.97 crore, of which 89.9% i.e. 8.07 crore is accounted for by retail investors. The top three scheme types across number of folios are under Equity, Hybrid and Solution Oriented Schemes accounting for 71.8%, 10.6% and 6.1%, respectively.

Growing investor interest in Mutual Funds led to an addition of over 72 lakh new folios in FY 2019-20, taking the total to an all-time high of 8.97 crore at the end of March 2019. Over the last few years, investor accounts have increased following robust contribution from retail investors, especially from smaller towns and huge inflows in equity schemes.

Equity-oriented schemes witnessed good inflows in March 2020, whereas all other categories witnessed huge outflows amid the ongoing COVID-19 crisis. In FY 2019-20, investors pumped in ₹ 0.84 lakh crore in equity-oriented mutual fund schemes, compared to an inflow of ₹ 1.11 lakh crore in the previous financial year. The average assets under management (AUM) of equity MFs declined by 25% to ₹ 6.50 lakh crore, as against ₹ 8.67 lakh crore in March 2019. A prime reason for this drop is the fall in equity markets. During the year, the large-cap index fell by almost 27%, whereas mid-cap and small-cap indices fell by 32% and 37%, respectively. Better net inflows in equity MFs led to a slower decline

in AUM, compared to the decline recorded in equity indices. Liquid funds ended the year with net outflow of ₹ 75,130 crore vs net inflows of ₹ 76,092 crore in the previous year.

However, the COVID-19 crisis did not impact retail investors as they continued investing via the SIP route. During FY 2019-20, the SIP (Systematic Investment Plans) accounts grew by 117.94 lakh to 3.12 crore – up from 2.62 crore in March 2019. The industry added about 9.95 lakh SIP accounts every month on an average during the year, with an average SIP size of about ₹ 2,750 per account. Instead of exiting their investment in equity funds, retail investors not only held on, but added more AUMs and Folios through SIPs, recording the highest ever equity monthly mobilization in March 2020. This led to the highest annual SIP mobilization of ₹ 100,084 crore in FY 2019-20 up from ₹ 92,693 crore in the preceding fiscal year.

Growth drivers

Savings-oriented culture: India's household savings rate stands at around 18.2% of its GDP. Household savings dominated overall savings in India, with a contribution of 60% in gross savings. The share of financial savings in gross household savings reached ~58% in FY 2018-19. With regulatory tightening, investors are moving away from physical assets such as gold and real estate and moving more towards financial assets. Further, Indians are also increasingly moving away from physical savings towards financial savings, owing to the realization that to beat inflation they will have to shift from traditional saving options to equities and mutual funds.

Digitization: The pace of change in India's financial system has the potential to be faster than in other countries due to the rapid take-up of digital devices, combined with India's track record of economic innovation. With a population of 1.3 billion, the number of Internet subscribers considering both broadband and narrowband put together stood at 687.63 million at the end of September 2019. The number of subscribers accessing internet via wireless phones etc. was 665.37 million at the end of September 2019. According to a Cisco report, Internet and mobile usage in India is set to cross the 900-million mark by 2023, with nearly two-thirds of the population estimated to have Internet access and a mobile device. India will have about 2.1 billion networked devices by 2023, of which 1.4 billion will be mobile-connected devices and 697.4 million wired/Wi-Fi connected devices. Smartphones will account for 38% of all networked devices, with connected TVs accounting for 12%.

Financial Inclusion: The Government of India has made financial inclusion a top priority by launching and expanding multiple programs, creating and strengthening transparency and digital systems, and enforcing regulatory measures to increase competition. Over the last decade, the acceleration of financial inclusion in India was largely due to political will along with high-impact government initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY), Direct Benefit Transfer (DBT) and issue of RuPay cards, among others. According to Global Findex Database by the World Bank, over 80% of Indians (aged 15+ years) had account ownership at a financial institution or with a mobile-money service provider, a massive increase from 35% in 2011.

Aadhaar Linkage: The total number of Aadhaar cards issued by Unique Identification Authority of India (UIDAI) has crossed the 1.25 billion mark. As on 29th February 2020, Aadhaar has been issued to 90.1% of Indians. Aadhaar linkage enables biometric digital authentication, as part of broader digital ecosystems with additional functionality. Over the years, the Aadhaar card has evolved as a primary identification document for a number of purposes in India, such as opening a bank account, getting a mobile connection, doing e-KYC, among others.

Recapitalization Package: In March 2020, the government announced a ₹ 20 trillion economic package representing 10% of India's GDP. The liquidity support measures are focused on the key areas of MSME, NBFC, MFIs, power distribution companies, and real estate. RBI has taken various steps to inject large liquidity into the system, improving asset quality, facilitating and incentivizing banks' credit flows and safeguarding stability in the financial markets. Some of these measures include refinancing facilities to NABARD, SIDBI, and NHB, open market transactions, reducing cash reserve ratios, reverse repo rate, and providing six months' moratorium on loan, among others.

Insolvency and Bankruptcy Code: As per the Economic Survey released in January 2020, the Insolvency and Bankruptcy Code (IBC) has improved resolution processes in India. The proceedings resulted in recovery of 42.5% of the amount involved, as compared to 14.5% under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest (SARFAESI) Act. IBC has made material progress in addressing the logjams with faster recovery of stressed assets and quicker resolution timelines. ICRA expects financial creditors to realize about ₹ 60,000-70,000 crore in FY 2020-21 through the IBC process, against the ₹ 100,000 crore realized in 2020.

Investments

Services sector is the biggest in India and contributes more than half of Gross Value Added (GVA). As per the second advance estimates for GVA, services sector shares reached 55.39% in FY 2019-20. Services sector GVA grew at a CAGR of 1.45% to USD 1,064.8 billion in FY 2019-20 from USD 1,005 billion in FY 2015-16. The sector provides employment to a large share of Indian population. Moreover, services sector is the largest recipient of FDI (Foreign Direct Investment) in India with inflow of USD 80.67 billion between April 2000 and December 2019.

Foreign Portfolio/Institutional Investments (FPI/FII) have been one of the biggest drivers of India's financial markets. Foreign investors have invested around ₹ 12.33 trillion (USD 178.28 billion) in India between FY02-20 (till 16th June 2020). Strong mandate at the Centre led to a strong performance of capital markets and is expected to attract a further pick-up in foreign investments.

OPPORTUNITIES & CHALLENGES

Most stock markets across the globe improved in 2019 from the lows of the previous year. The Indian markets increased too, albeit to a lesser extent. Macro-economic concerns resulting from continuing trade tensions between the US and China, lower crude prices reflected in declining manufacturing activity persisted into the current calendar. These have only exacerbated with the on-going pandemic which has resulted in lockdowns and ceasing of business activity in global economy. Many countries have had to look at various options including capital infusion, fiscal stimulus and rate cuts to support their economies. The overall environment, however, continues to be uncertain. While liquidity appears to have improved, the view is still circumspect with regard to economic growth. Banks and rating agencies have been periodically ending their growth outlook and the present broad view is that of sharp contraction in the current year and a sharp growth in FY 2021-22.

However, as several countries looking at alternative manufacturing locations post the pandemic to de-risk their geographical concentration in supply chains, India with its large skilled labor base, ports availability, FDI promoting policies appears well positioned to benefit in the long term.

COMPANY PERFORMANCE

Geojit Financial Services Limited (hereinafter to be referred as 'the Company') is a leading investment services provider with more than three decades of rich experience in the Indian Capital Market. The Company offers a complete bouquet of financial products and

services to its 1-million customer base. Its product and services categories include equity and currency derivatives, portfolio management services, margin trading, loan against shares, distribution of mutual funds and insurance products, online financial planning and commodity derivatives.

The Company has a wide distribution network of 457 offices across 21 states and union territories in India and 07 offices in the Middle East. It has over ₹ 28,435 crore of Assets under Custody and Management, having an SIP book size of ₹ 176 crore, (including STP of ₹ 12 crore) with around 4 lakh accounts. It has been a pioneer in launching Internet and mobile trading, online depository transactions, cash and derivate integrated trading system and launch rubber trading in commodity futures. The Company offers several innovative and customer-friendly products, such as Selfie, Online Financial Planning Tool, and Fund Genie, among others.

FINANCIAL PERFORMANCE (CONSOLIDATED)

During the year under review, consolidated operational income stood at ₹ 305.34 crore. The growth is majorly driven by increase in revenue from financial product mainly Insurance distribution income which was partially offset by decline in revenues from other product segments. Total income stood at ₹ 306.37 crore, registering 1.10% decline over the previous year. Profit before Tax stood at ₹ 69.62 crore, registering 20.43% increase over the previous year. The Company has adopted to pay corporate tax at concessional rate effective from 1st April 2019 as per the Taxation Laws (Amendment) Ordinance, 2019. Hence, the total tax expense reduced from ₹ 27.85 crore in FY 2018-19 to ₹ 18.72 crore in FY 2019-20. Consequently, the Total Comprehensive Income stood at ₹ 50.56 crore, registering a significant increase by 81% over the previous year.

Segment-wise Performance

Equity: Indian equity markets remained highly volatile in FY 2019-20 led by various factors starting from the general election to the slowing economy and the coronavirus pandemic. India's main stock Indices, Nifty and Sensex, tumbled nearly 25% in FY 2019-20. The highest decline in equity indices was reported in the last three months of the financial year as the turmoil in the market triggered by the global outbreak and subsequent nationwide lockdown in March 2020. Equity trading increased with the increased use of online trading platform 'SELFIE'. Online trading volume grew by 21% in FY 2019-20, Revenue from Mobile Trading was ₹ 64.50 crore in FY 2019-20 from ₹ 60 crore in FY 2018-19, an increase of 7%. Similarly, income from internet broking, including mobile, stood at ₹ 86 crore in FY 2019-20.

During the year, our client base increased by around 50,950 new clients to reach 1,046,500 and Assets Under Management and Custody stood at ₹ 28,435 crore, as on March 2020, from ₹ 40,160 crore in the earlier year. Our network of offices stands at 457 across in 19 States and 2 Union Territories in India and 07 offices in Middle East.

Mutual Fund: The Mutual Fund distribution income was at ₹ 38.32 crore in FY 2019-20, compared to ₹ 39.69 crore in FY 2018-19, registering a decline by 3.58% YoY. The decrease is mainly attributed to regulatory interventions such as decreasing the TER, enlarging B-15 scheme to B-30 and implementation of full trail model of commission. During the year under review, the Company recorded net inflow of ₹ 610 crore for equity and equity hybrid schemes compared to ₹ 1,062 crore recorded in the previous year. This is primarily due to the fluctuation of the market. The SIP book alone has also been steadily improving – from ₹ 76 crore to ₹ 164 crore over the last three years. A sharper focus and full-scale efforts in promoting Mutual Funds, particularly SIPs, have led to higher revenues. The Company is focusing on diversifying its business products for better buying experience for customers. In FY 2019-20, the Company has been successful in diversifying its revenue stream into insurance distribution, the income from which stood at ₹ 11.42 crore in 2020. Consequently, the share of income from Insurance distribution in total income increased from 0.41% in 2019 to 3.74% in 2020.

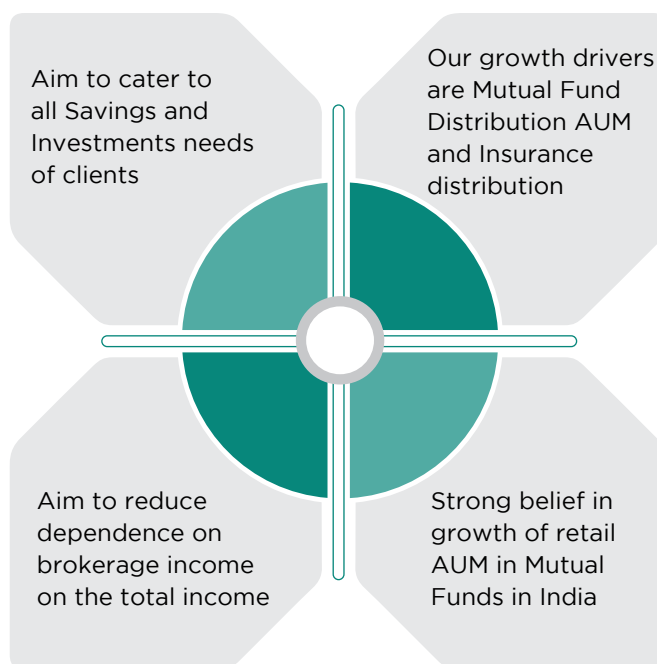
Portfolio Management Services: Our serious intentions to secure business growth are well reflected in a relentless focus on growth of the segment and efficient client handholding. We have launched Dakshin Fund focused on companies in South India.

Depository Services: With a growing number of clients, the number of depository accounts increased to 6.69 lakhs at the end of March 2020, from 6.32 lakhs in March 2019, registering about 6% growth YoY.

Overseas Operations

Although the situation continued to be tough in the Gulf region with uncertainty mounting due to several economic austerity measures, our business continued to be insulated from any negative and adverse impact. Our Subsidiaries/joint ventures, Barjeel Geojit Financial in the UAE, BBK Geojit Securities in Kuwait and QBG Geojit Securities in Oman continued to record robust business operations and are expected to improve their profitability in the coming years.

Growth Outlook



IMPACT REPORTING ON COVID-19

COVID-19 outbreak was declared as a global pandemic by World Health Organisation (WHO) on 11th March 2020. Indian authorities have followed an approach of complete lockdown since 24th March 2020 starting with three-week complete lockdown, during which only defined essential services were operating with limited capacity. The lockdown kept on getting extended with gradual and modest relaxations. Stock broking service has been declared as an essential service and accordingly, the Company has been in operation consistently with minimal permitted staff. Accordingly, as of 31st March 2020, based on the facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

RISK EVALUATION AND MITIGATION

Product risk: The Company's future performance is dependent on the success of product acceptance by customers. Every new product launch involves capital investment and the failure of the product will thereby lead to negatively impact financial performance.

Risk mitigation: The Company has a well-diversified bouquet of products and services including brokerage, mutual fund distribution and portfolio management. It has been pioneered in launching several new products in Indian market, including online depository operations, rubber future trading, internet and mobile trading. The Company also launched several other innovative products like Selfie and Fund Genie to meet the needs of its aspiring customers.

Regulatory risk: As the Company operates as a financial services provider, it is governed by several regulations, statutory bodies and regulators. Any non-compliance of laws or non-adherence to the guidelines may pose significant risks to business operations. The failure could be due to omission, misinterpretation, lack of knowledge or communication.

Also, in the past few years, with an objective to bring transparency and trust in the industry, regulators like SEBI and AMFI took several initiatives, which may result in short-term business performance, namely promoting direct MF sales and reducing commissions.

Risk mitigation: The Company has a dedicated team of experienced professionals for the compliance function. This team supports the corporate function on a real-time basis, in case of any material changes in compliance requirements. In addition, the internal auditor also keeps a vigil on compliance and regulatory matters.

Operational risk: The Company operates in varied and complex transactions related to several products and services through a large pool of employees, spreading across locations. Due to this reason, any lack of action, omission, miscommunication, misrepresentation or misdeed may lead to reputational and financial loss for the Company.

Risk mitigation: The Company has well-defined processes and systems across hierarchies and location for the critical business operations. To monitor these processes, MIS and audits are undertaken at regular intervals. In addition, the Company has a maker/checker mechanism, which reduces such risks to a great extent.

Financial risk: The Company is operating in a fast-paced industry. Any changes in the macro-environment, consumer preferences, regulatory policies, and financial market behaviors may create an adverse impact on the Company's operating and financial performance.

Risk mitigation: Over the past three decades, the Company has become a reputed brand in the financial services industry through its wide reach and customer centricity. The Company's well-diversified product portfolio with widespread distribution in its areas of operations mitigates any concentration risks, regional, or any product-specific risks.

Technological risk: In the past few years, technology has become the backbone of the financial services sector. Any redundancies, obsolescence or failure in technology adaptation may adversely impact the Company's competitiveness and operations.

Risk mitigation: Investments in upgradation and innovation in IT & systems is under the focus strategy of the Company. A dedicated team foresees future requirements and implements available technologies to enhance its efficiencies. Its robust systems, a dedicated professional team and continuous upgrade helps the Company mitigate its technology-related risks.

Strategy risk: To achieve growth, the Company takes several strategic decisions in terms of products, pricing, marketing, and technology. In case of any failure in strategy, the financial performance of the Company can be adversely impacted.

Risk mitigation: With an experience of over three decades and direct connect with clients, the Company's strategies are future-oriented with prudent capital allocation and well considerate of risks and challenges.

Competition risk: The Company is operating in high growth and a fiercely competitive industry. Aggressive pricing, heavy advertising, high marketing and sales costs may adversely impact the financial performance.

Risk mitigation: The Company's utmost focus on customer satisfaction, technology innovation and wide reach has enabled to build a strong retail brand.

INTERNAL CONTROLS

The Company has internal audit system which is effective and commensurate with the size of its operations. Well-defined processes, guidelines and procedures and adequate internal information systems enable the Company to enhance the internal controls. The Company maintains adequate records and documents as required by law and decision-making is made easier due to proper information flow.

Internal audits and checks are regularly conducted and internal auditor's recommendations are considered for improving systems and procedures. The Company's robust internal control systems enables safeguarding sensitive data, ease out audit process, maintenance of proper accounting controls, monitoring of operations and conservation of assets. Internal controls also ensure strict adherence and compliance with statutes and laws.

The Company's Audit Committee reviews the internal control system and looks into the observations of the statutory and internal auditors. Appropriate actions, as deemed necessary to ensure sustainability and future growth prospects of the Company, are taken in a timely fashion. The Audit function provide reasonable assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability of financial records and reports and compliance with applicable laws and regulations. The internal controls facilitate prompt detection and redressal of any deviations in business operations. The controls put forth an accurate summary of the organization's position at all times.

HUMAN RESOURCES

The Company's HR policies ensure working together with the employees for their personal and professional development. Training and employee motivation is an integral part of the Company. High retention rate is achieved as capable employees are provided with ample growth opportunities and rewards to climb up the corporate ladder. Employees are also rewarded for excellent work in day-to-day work enhancing productivity and efficiency. As on 31st March 2020, the total strength of the Company's employees stood at 2,031 excluding casuals & contract staffs.

CAUTIONARY STATEMENT

This document contains some statements about expected future events, financial and operating results of Geojit Financial Services Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their 26th Annual Report of the Company for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(₹ in crores)

Particulars	Standalone			Consolidated		
	2019-20	2018-19	Change (%)	2019-20	2018-19	Change (%)
Total Revenue	286.88	285.42	00.51	306.37	309.77	-1.10
Total Expenditure	224.58	235.00	-04.44	232.26	244.46	-4.99
Profit before exceptional items and tax	62.30	50.41	23.59	74.11	65.31	13.47
Exceptional Item	-10.20	-7.50	-36.00	-4.49	-7.50	-40.13
Total Tax Expenses	14.36	18.37	-21.83	18.72	27.85	-32.78
Share of Profit/(loss) in Associate	-	-	-	-0.32	-2.24	-85.71
Profit for the year	37.74	24.55	53.79	50.58	27.72	82.47
Total Other Comprehensive Income	-0.09	0.15	-160.00	-0.02	0.22	-
Total Comprehensive Income	37.65	24.69	52.49	50.56	27.94	80.96

FINANCIAL HIGHLIGHTS OF SUBSIDIARIES

(₹ in crores)

Company Name	FY 2019-20 Total income	FY 2019-20 Total Expense	FY 2019-20 Profit / (Loss) for the year
Indian Subsidiaries			
Geojit Technologies (P) Ltd.	25.34	10.52	10.52
Geojit Credits (P) Ltd	1.26	1.72	-0.46
Geojit Investment Services (P) Ltd	0.85	0.33	0.47
Geojit Techloan (P) Limited	0.07	0.05	0.003
Overseas Subsidiaries, Joint Ventures & Associates			
Barjeel Geojit Financial Services LLC	7.44	6.22	1.22
Al-Oula Geojit Capital Company	0.01	1.50	-1.49
Qurum Business Group Geojit Securities LLC	2.15	2.36	-0.21
BBK Geojit Securities KSC	0.44	0.49	-0.05

Note :

- Consolidation of Barjeel, Aloula and BBK Geojit is on "equity method". Therefore the consolidated profit / (loss) is directly adjusted to the carrying amount of investments in the books. (ie. The total income and total expense donot directly get consolidated. Only the share of GFSL in total gain / (loss) is consolidated into P&L.)

REVIEW OF PERFORMANCE

On a standalone basis, your Company has recorded a total income of ₹ 286.88 crores for the financial year ended 31st March, 2020. The profit before tax is ₹ 62.30 crores and the net profit after tax is ₹ 37.74 crores. Basic earnings per share work out to ₹ 1.58 compared to ₹ 1.03 in the previous year.

On a consolidated basis your company earned a total income of ₹ 306.37 crores for the financial year, profit before tax of ₹ 74.11 crores and a net profit of ₹ 50.58 crores.

A detailed analysis of the performance is given in the Management Discussion and Analysis Report appended hereto.

DIVIDEND

The Board at their meeting held on 11th March, 2020 declared an interim dividend of ₹ 1.50/- per equity share for the financial year 2019-20.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements of the Company are prepared in accordance with Section 129 of the Companies Act, 2013 read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The proactive and continuous efforts by the Company in terms of diversifying and de-risking business primarily into product distribution are helping to build a stable revenue franchise. Mutual fund and insurance distribution has opened a new source of revenue with the latter also providing protection against market volatility related shocks.

The Company has strengthened its digital focus as COVID-19 pandemic pose challenge of social distancing and reduced movement. Aadhar-based digital onboarding has been relaunched to enable customers easily onboard and transact from the safety of their homes. Mutual Fund reconciliation platform was automated. Further, to strengthen positioning as an advisory services company, portfolio analysis and financial planning applications were improved with enhanced features.

INCREASE IN SHARE CAPITAL

During the year under review, the paid up share capital of the Company increased from ₹ 23,82,95,401/- divided into 23,82,95,401 equity shares of ₹ 1/- each

to ₹ 23,82,99,760/- divided into 23,82,99,760 equity shares of ₹ 1/- each, consequent to the issue of 4359 equity shares to employees upon exercise of stock options under Employee Stock Option Plan-2010 of the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2020, following are the subsidiaries/ associates/joint ventures of the Company:

Subsidiaries:

- i. Geojit Credits Private Limited
- ii. Geojit Investment Services Limited
- iii. Geojit Technologies Private Limited
- iv. Geojit Techloan Private Limited
- v. Qurum Business Group Geojit Securities LLC

Joint Ventures:

- i. Barjeel Geojit Financial Services L.L.C
- ii. Aloula Geojit Capital Company

Associates:

- i. BBK Geojit Securities KSC

DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. Inductions

The following appointments were made during the year

- Mr. Sanjay M Kaul IAS as Non- Executive Director (nominee of Kerala State Industrial Development Corporation Limited) with effect from July 19, 2019
- Mr. James Varghese as Independent Director with effect from November 14, 2019.
- Mr. M G Rajamanickam IAS as Non- Executive Director (nominee of Kerala State Industrial Development Corporation Limited) with effect from December 12, 2019
- Mrs. Alice Geevarghese Vaidyan as Independent Director with effect from August 04, 2020

II. Re-appointments

As per the provisions of the Companies Act, 2013, Mr. A Balakrishnan, retires by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment.

III. Retirements and Cessations

Dr. Sharmila Mary Joseph IAS and Mr. Sanjay M Kaul IAS (nominees of Kerala State Industrial Development Corporation Limited) resigned as Non-Executive Directors of the Company effective July 19, 2019 and December 12, 2019 respectively.

Mrs. Mohana Raj Nair ceased to be a Non-Executive Independent Director of the Company w.e.f February 02, 2020 due to death.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEE AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of Companies Act, 2013 and the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, its Committee and individual Directors. Assessment for evaluation of performance of Board, its committees and individual directors were prepared based on various aspects, which among other parameters, included composition of the Board and its Committees, conducting of Board Meetings, effectiveness of its governance practices etc.

Further the Independent Directors, at their meetings held during the year, reviewed the performance of the Board, the non Independent Directors and the Chairman.

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT

The Board has adopted a Code of Conduct for Directors & Senior Management in accordance with the provisions of the Companies Act, 2013 and Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code also incorporates the duties of Independent Directors. All the Board Members and Senior Management Personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director forms part of the Corporate Governance Report. A copy of the Code has been put on the Company's website.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors of the Company are persons of integrity, possessing rich experience and expertise in the field of corporate management, finance, capital market, economic and business information. The company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, duties, roles & responsibilities and expectations of the Independent Director. The Board of Directors has complete access to the information within

the Company. Presentations are regularly made to the Board of Directors / Audit Committee / Nomination & Remuneration Committee / Corporate Social Responsibility Committee / Stakeholders' Relationship Committee on various related matters, where Directors have interactive sessions with the Management.

The details on the Company's familiarization programme for Independent Directors can be accessed at <http://www.geojit.com/pdfs/FAMILIARIZATIONPROGRAMMEFORINDEPENDENTDIRECTORS.pdf>.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/ she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and in terms of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 and based on the representations received from the Management, your Directors state that :

- i. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY RELATING TO DIRECTORS' APPOINTMENT

The Company with the approval of Nomination & Remuneration Committee has adopted a policy on Board diversity and the recommendation of candidature for Board appointment will be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

MANAGEMENT'S DISCUSSION & ANALYSIS

The Management's Discussion and Analysis is given separately and forms part of this Annual Report.

CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements under Companies Act, 2013 and as stipulated under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A detailed Report on Corporate Governance is given as Annexure I to this Report. A certificate of Statutory Auditor confirming compliance of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

EXTRACT OF ANNUAL RETURN

The extract of the Annual return in Form MGT - 9 is given as Annexure II to this Report.

AUDITORS

At the Annual General Meeting held on August 04, 2016, M/s. B S R & Associates LLP, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the Twenty Seventh Annual General Meeting to be held in the year 2021.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

SECRETARIAL AUDIT REPORT

In accordance with the provisions of Section 204 of the Companies Act, 2013, the Board has appointed M/s. Satheesh & Remesh - Company Secretaries in Whole-time Practice, Kochi as the Secretarial Auditor for the financial year 2019-20. The report of the Secretarial

Auditor for the FY 2019-20 is annexed to this report as Annexure III.

There are no audit qualifications, in the said Secretarial Audit Report.

NUMBER OF BOARD MEETINGS

The Board of Directors met 5 (five) times in the financial year 2019-20. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee is constituted with three Non-Executive Independent Directors comprising of Mr. R Bupathy as the Chairman, Mr. Radhakrishnan Nair and Mr. Mahesh Vyas as other Committee Members.

REMUNERATION POLICY

The company follows a policy on remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company. The policy was approved by the Nomination & Remuneration Committee of the Company.

The Non-Executive Directors of the Company shall be entitled to receive remuneration by way of sitting fees for attending meeting of the Board and Committees thereof.

The remuneration to KMP's and SMP's and employees shall include direct remuneration and indirect remuneration primarily and strategic remuneration which can be Performance Linked and/or Profit linked incentive.

Remuneration Policy of the Company can be accessed at <https://www.geojit.com/pdfs/Remuneration-Policy.pdf>.

RISK MANAGEMENT POLICY

Risks are an integral part of business and it is imperative to manage these risks at acceptable levels in order to achieve business objectives. The risks to which the Company is exposed are both external and internal. Your company has formulated a Risk Management Policy to provide an integrated and standardized approach in managing all aspects of risk to which your Company is exposed. An Internal Risk Management Committee monitors the Enterprise Risk Management Policy with participation from officers responsible for risk management and to take appropriate steps to ensure that these risks are at acceptable levels.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

Your Company has laid down a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide a framework for responsible and secure whistle blowing mechanism. The Policy aims to provide an avenue for Employees and Directors to raise their concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct and it also empowers the Audit Committee of the Board of Directors to investigate the concerns raised by the employees.

All Directors and Employees of the Company are eligible to make protected disclosures under the Policy addressed to the Vigilance Officer of the Company in relation to matters concerning the Company. We further affirm that, no employee of the Company was denied access to the Audit Committee.

The details on the Company's Whistle Blower Policy and Vigil Mechanism can be accessed at [http://www.geojit.com/pdfs/VIGIL_MECHANISM%20 %20Final%20Draft_Revised.pdf](http://www.geojit.com/pdfs/VIGIL_MECHANISM%20%20Final%20Draft_Revised.pdf)

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating activities to be undertaken by the Company, which has been approved by the Board. The Company established a charitable trust namely Geojit Foundation and carry most of the CSR activities of the company through the foundation.

The Company has identified Education and Health as key focus areas of engagement for CSR activities. The Company would also undertake other initiatives in compliance with the Section 135 read with Schedule VII of the Companies Act 2013. The Annual Report on CSR activities is annexed herewith and marked as Annexure IV to this report. The CSR Policy of the company is available on website of the company at https://www.geojit.com/pdfs/CSR_Policy_17-5-2018.pdf

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

As required under the Law, an internal complaints committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place.

Your Directors further state that during the year under review, there was no complaint received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

INTERNAL CONTROL SYSTEM

The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

The scope and authority of the Internal Audit activity are well defined in the Internal Audit Charter, approved by the Audit Committee. The Company has a dedicated Internal Audit team with skills commensurate with the size, nature & complexity of operations of the Company. Internal Audit department reports functionally to the Audit Committee of the Board which reviews and approves risk based annual internal audit plan. Audit Committee periodically reviews the performance of internal audit function. During the year, the Audit Committee met regularly to review reports submitted by the Internal Audit department. All significant audit observations and follow-up actions thereon were reported to the Audit Committee.

The Company's Board & Audit Committee reviews adherence to internal control systems, internal audit reports and legal compliances. The Audit Committee reviews all quarterly and yearly financial results of the Company and recommends the same to Board for its approval.

INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a Code of Conduct for Prevention of Insider Trading and Policy on Disclosure of Material Events/ Information which is applicable to all Directors and the Designated Employees of the Company. The Code lays down the guidelines, which advises on the procedures to be followed and disclosures to be made while dealing in shares of the Company and indicate the consequences of non-compliance. A copy of the Code has been put on the Company's website.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with the related parties were in the ordinary course of business and on an arm's length basis. During the year the company had not entered into any contract/ arrangement/ transaction with any related party which could be considered material in accordance with the policy of the company on materiality of related party transactions. Disclosure in Form AOC-2 is given as Annexure V.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.

Your Directors draw attention of the members to Note 40 to the financial statement, which sets out related party disclosures.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's head office is an energy efficient building consuming 25 percent less energy and over 40 percent less water than conventional buildings of similar size. The company also ensures optimized and efficient energy management in all its offices, located across India. With the implementation of its digital initiatives the company has also substantially reduced its paper consumption.

The company has always leveraged technological innovations to improve its operational efficiency to satisfy and retain its customer base. Keeping in line with SEBI guidelines, the company has been automating the customer on-boarding process. This has enabled the Company to reduce time-consuming activities and complexity of physical on-boarding of clients.

Today, almost 60 percent of the Company's client's trade online and over 40 percent buy and sell mutual funds using its online trading platforms and mobile apps. The latest updates on our online platforms and apps give investors a more powerful trading experience.

The details regarding foreign exchange earnings and outgo are given as Annexure VI to this Report.

HUMAN RESOURCES

As a service Company, the Company's operations are heavily dependent on qualified and competent personnel. As on March 31, 2020, the Company had 2031 employees on its rolls. Your Company takes significant effort in training all employees at various levels.

PARTICULARS OF EMPLOYEES

Particulars of employees covered by the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure VII to this Report.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company presently has two Employee Stock Option Schemes viz., ESOS 2016 and ESOS 2017. The Nomination & Remuneration Committee at its meetings held during the year granted 1,59,691 options under ESOS 2016 and 90,000 options under ESOS 2017. The Board of Directors of the Company has allotted 4,359 equity shares of ₹.1/- each under ESOS 2010 Scheme to its employees who exercised the stock options on various dates at various exercise prices in accordance with the terms and conditions of ESOS. The ESOS 2010 Scheme has expired in June 2019

The aforesaid ESOS schemes are in compliance with SEBI (Share Based Employees Benefits Scheme) Regulations, 2014 and the details are attached as Annexure VIII to this report and also available on our website and can be accessed at <https://www.geojit.com/pdfs/ESOSDisclosure.pdf>

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013, money transferred to the Unpaid Dividend Account of the Company and which has remained unpaid or unclaimed for a period of seven years from the date of transfer has been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the said Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- Details relating to deposits covered under Chapter V of the Companies Act 2013.
- Issue of equity shares with differential right as to dividend, voting or otherwise.

- c. Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except ESOS referred to in this report.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge the valuable guidance and assistance received from Securities and Exchange Board of India, Stock Exchanges, Commodity Exchanges, Depositories & other Regulatory Authorities, BNP Paribas S A, Kerala State Industrial Development

Corporation Limited, our clients and business partners. We look forward to receiving their continued support and encouragement. The Board of Directors wishes to extend their thanks and appreciation and express their gratitude for the continuing commitment and dedication of employees at all levels. The Directors are thankful to the esteemed shareholders for their support and the confidence reposed in the Company.

For and on behalf of the Board of Directors

Place : Kochi
Date: 04.08.2020

**Sd/-
Chairman**

ANNEXURE - I TO DIRECTORS' REPORT

Corporate Governance Report

[Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic philosophy of Corporate Governance at 'Geojit Financial Services Ltd' is to achieve business excellence and to create and enhance the value for its Stakeholders, Customers, Employees and Business Associates and thereby to make a significant contribution to the economy. The Company endeavors to achieve the highest levels of transparency, accountability, integrity and responsibility by following the best practices in Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors comprises of total nine Directors as on 31st March 2020 out of which three are Executive Directors and six are Non-Executive Directors including four Independent Directors.

There are no inter-se relationships between any of the Directors of the Company.

In the opinion of the Board, all the Independent Directors fulfill the conditions specifies in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and are independent of the management.

Except for the Managing Director, Independent Directors and Nominee Director, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

MEETING AND COMPOSITION

During the year ended 31st March 2020, five Board Meetings were held on 30th May 2019, 07th August 2019, 14th November 2019, 06th February 2020 and 11th March 2020.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting are given below:

Name of Director	Category	Number of shares held in the Company as on 31.03.2020	Attendance at	
			Board Meetings	Last AGM
Mr. C.J.George	MD & P	4,33,13,236	5	Yes
Mr. A Balakrishnan	ED	2,51,302	5	Yes
Mr. Satish Menon	ED	7,50,000	5	Yes
Mr. R.Bupathy	NE & I	18,000	5	Yes
Mr. Mahesh Vyas	NE & I	Nil	4	No
Mr. Radhakrishnan Nair	NE & I	Nil	5	Yes
Mr. James Varghese [#]	NE & I	Nil	1	ND
Mrs. Mohana Raj Nair ^{\$}	NE & I	Nil	2	No
Mr. Punnoose George	NE	99,75,149	5	Yes
Mr. M G Rajamanickam [*]	N, NE	Nil	0	ND
Mr. Sanjay M Kaul [*]	N, NE	Nil	0	No
Dr. Sharmila Mary Joseph [*]	N, NE	Nil	0	ND

C : Chairman;
 MD : Managing Director;
 ED : Executive Director;

NE : Non-Executive Director;
 N : Nominee Director;
 ND : Not Director as on date of AGM

I : Independent Director;
 P : Promoter,

Particulars of Directors holding directorships and committee memberships in other listed companies as on 31.03.2020:

Name of Director	Number of Directorship in other listed Companies	Committee Positions in other listed Companies		Directorship in other listed Companies	
		Committee Member	Committee Chairman	Name of Company	Category of Directorship
Mr. C. J. George	1	2	0	1. V-Guard Industries Limited	1. Independent Director
Mr. A Balakrishnan	0	0	0	-	-
Mr. Satish Menon	0	0	0	-	-
Mr. R. Bupathy	1	1	1	1. Jubilant Industries Limited	1. Independent Director
Mr. Mahesh Vyas	0	0	0	-	-
Mr. Radhakrishnan Nair	3	2	1	1. ICICI Prudential Life Insurance Company Limited	1. Independent Director
				2. ICICI Bank Limited	2. Independent Director
				3. ICICI Securities Primary Dealership Limited	3. Independent Director
Mr. James Varghese [#]	0	0	0	-	-
Mr. Punnoose George	0	0	0	-	-
Mr. M G Rajamanickam [*]	1	0	0	1. Nitta Gelatin India Limited	1. Independent Director

[#] Mr. James Varghese was appointed as Non-Executive Independent Director (Additional) w.e.f. 14th November 2019.

^{\$} Mrs. Mohana Raj Nair ceased to be the Non-Executive Independent Director of the Company w.e.f. 02nd February 2020 due to death.

^{*}Kerala State Industrial Development Corporation Limited (KSIDC) a public financial institution owned by Government of Kerala which holds about 8.39% of equity shares of the Company nominated Dr. Sharmila Mary Joseph, IAS, then Managing Director of KSIDC Limited as their Nominee Director in the Board of the Company w.e.f. 11th January 2019. Dr. Sharmila Mary Joseph was replaced by Mr. Sanjay M Kaul IAS w.e.f. 19th July 2019. Mr. M G Rajamanickam, Managing Director of KSIDC Limited was appointed by KSIDC w.e.f. 12th December 2019 replacing Mr. Sanjay M Kaul, IAS.

Other directorships include listed companies and do not include directorships of Geojit Financial Services Limited, unlisted Public Companies, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Chairmanship / Membership of Board Committees include Chairmanship / Membership of Audit Committee and Stakeholders Relationship Committee only as clarified under Regulation 26 of SEBI (LODR) Regulations, 2015. The Membership / Chairmanship of Board Committees of unlisted Public Companies, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded for the purpose. None of the directors of the Company are related to each other.

KEY BOARD QUALIFICATION INDICATORS

The Company primarily engages in financial services sector and identifies the following skills/expertise/competencies fundamental for the effective functioning of the Company. The Board takes in to consideration these attributes while nominating candidates to serve on the Board.

Financial Skills : Understanding financial markets, financial products, risk management, financial controls and financial statements.

Governance : Strategic thinking, serving the best interest of all stakeholders, maintaining Board and Management accountability, driving corporate ethics and values.

Technical skills : Knowledge of legal and regulatory aspects.

KEY BOARD QUALIFICATIONS

Name of the Director	Area of Expertise		
	Financial Skills	Governance	Technical Skills
Mr. C. J. George	✓	✓	✓
Mr. A Balakrishnan	✓	✓	✓
Mr. Satish Menon	✓	✓	✓
Mr. R. Bupathy	✓	✓	✓
Mr. Mahesh Vyas	✓	✓	✓
Mr. Radhakrishnan Nair	✓	✓	✓
Mr. James Varghese	✓	✓	
Mr. Punnoose George	✓	✓	✓
Mr. M G Rajamanickam		✓	

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details on the Company's familiarization programme for IDscan be accessed at: <https://www.geojit.com/pdfs/FAMILIARIZATIONPROGRAMMEFORINDEPENDENTDIRECTORS.pdf>

REAPPOINTMENT OF DIRECTORS

Mr. A Balakrishnan, Executive Director (DIN: 00050016) shall retire by rotation at the ensuing Annual General Meeting pursuant to Section 152 of Companies Act, 2013 and being eligible offers himself for reappointment. The brief resume and information relating to Mr. A Balakrishnan is furnished as part of the Notice convening the Annual General Meeting.

AUDIT COMMITTEE

The Company's Audit Committee consisted of three Non-Executive Independent Directors during the year.

The qualification of the members of the Committee, its composition and terms of reference are as per the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit Committee inter-alia monitors and provides effective supervision of financial reporting process and ensures that financial statement is accurate, sufficient and credible. The Chairman of the Audit Committee, Mr. R. Bupathy has expert knowledge of finance and accounting. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

Meeting and Composition

During the year ended 31st March 2020, the Committee met five times on 30th April 2019, 29th May 2019, 06th August 2019, 13th November 2019 and 05th February 2020.

The composition of the Committee and their attendance details are given below:

Name of Members of Audit Committee	Category	No. of meetings attended
Mr. R. Bupathy	Chairman, Non – Executive Independent Director	5
Mr. Mahesh Vyas	Member, Non – Executive Independent Director	4
Mr. Radhakrishnan Nair	Member, Non – Executive Independent Director	5

The Audit Committee is empowered pursuant to its terms of reference which includes its duties, review of information and reporting as provided below:

Duties

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Review of Information:**
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Reporting

1. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee and the Chairman of the Committee shall, at a minimum attend the Board meeting at which the accounts are approved.
2. The Audit Committee shall annually review its terms of reference and its own effectiveness and recommend to the Board any necessary changes.
3. If the Board does not accept the audit committee recommendation the same shall be disclosed in the Board's report along with the reasons therefore.
4. The Audit Committee Chairman shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Audit Committee's activities and its responsibilities.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee (NRC), comprising three independent directors as its members, inter-alia oversees the Company's nomination process for the Directors, senior management and coordinates the annual self-evaluation of the performance of the Board, Committees and of individual Directors. The NRC further reviews and monitors the implementation of the Employee Stock Option Schemes (ESOS) approved by the Board from time to time.

The broad terms of reference of the Nomination and Remuneration Committee are as follows:

- 1) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 2) Formulation of criteria for evaluation of Independent Directors and the Board.
- 3) Devising suitable policy on board diversity
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

- 5) To formulate a policy to ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial person and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goal.
- 6) To consider other topics as determined by the Board of Directors of the Company.

Meeting and Composition

Five meetings of the Committee were held during the year on 30th April 2019, 29th May 2019, 06th August 2019, 14th November 2019 and 06th February 2020. The composition of the Committee and their attendance details are given below:

Name of Members of Nomination & Remuneration Committee	Category	No. of meetings attended
Mr. Mahesh Vyas	Chairman, Non – Executive Independent Director	4
Mr. R.Bupathy	Member, Non – Executive Independent Director	5
Mr. Radhakrishnan Nair	Member, Non-Executive Independent Director	5

The Committee was reconstituted on 07th August 2019 by appointing Mr. Mahesh Vyas, Independent Director as the Chairman of the Committee.

The Committee recommended following criteria for evaluation of Independent Directors:

- Qualification and Experience
- Sufficient understanding and knowledge of the Company and the industry

- Effective contribution to the Board with Independent views and judgement
- Independence from other Directors, the entity and its Management
- Active participation and contribution towards positive growth of the Organisation
- Integrity and maintaining of confidentiality

Remuneration to Managing Director/ Executive Directors

The remuneration structure of the Managing Director/ Executive Directors comprise of salary, commission, perquisites and allowances, contribution to Provident Fund and Gratuity.

The details of remuneration paid / payable to the Managing Director/Executive Directors for the year 2019-20 is given below -

Name of Director	Mr. C J George, Managing Director	Mr. Satish Menon Executive Director	Mr. A Balakrishnan Executive Director
Period of Service	5 years w.e.f. 24.11.2019	5 years w.e.f. 02.08.2018	5 years w.e.f. 02.08.2018
Salaries (in ₹)	92,27,787	60,62,505	60,48,005
Perquisites (in ₹)	10,65,646	39,600	39,600
Commission (in ₹)	94,32,000	31,18,000	31,18,000
Stock Option (in ₹)	-	-	-

Remuneration to Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees. The sitting fees paid for each Meeting is as below:

Board Meeting	₹ 50,000
Audit Committee Meeting	₹ 40,000
Other Committees (Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee)	₹ 10,000
Independent Directors' Meeting	₹ 40,000

The total amount of sitting fees paid during the year 2019-20 was ₹ 18,70,000/- as follows -

Name of Director	Details of Sitting Fees Paid (In ₹)					
	For Board Meeting	For Audit Committee Meeting	For Nomination and Remuneration Committee Meeting	For Stakeholders' Relationship Committee Meeting	For Corporate Social Responsibility Committee Meeting	For Independent Directors' Meeting
Mr. C. J. George	-	-	-	-	-	-
Mr. A. Balakrishnan	-	-	-	-	-	-
Mr. Satish Menon	-	-	-	-	-	-
Mr. R. Bupathy	2,30,000	2,00,000	50,000	-	10,000	40,000
Mr. Mahesh Vyas	1,90,000	1,60,000	40,000	-	-	-
Mr. Radhakrishnan Nair	2,30,000	2,00,000	50,000	-	-	40,000
Mr. James Varghese [#]	50,000	-	-	-	-	40,000
Mrs. Mohana Raj Nair ^{\$}	90,000	-	-	-	-	-
Mr. Punnoose George	2,30,000	-	-	10,000	10,000	-
Mr. M G Rajamanickam [*]	-	-	-	-	-	-
Mr. Sanjay M Kaul [*]	-	-	-	-	-	-
Dr. Sharmila Mary Joseph [*]	-	-	-	-	-	-
Total	10,20,000	5,60,000	1,40,000	10,000	20,000	1,20,000

[#] Mr. James Varghese was appointed as Non-Executive Independent Director (Additional) w.e.f. 14th November 2019.

^{\$} Mrs. Mohana Raj Nair ceased to be the Non-Executive Independent Director of the Company w.e.f 02nd February 2020 due to death.

*Mr. Sanjay M Kaul IAS was appointed in place of Dr. Sharmila Mary Joseph, IAS as Nominee Director of KSIDC Limited w.e.f. 19th July 2019. Mr. M G Rajamanickam, Managing Director of KSIDC Limited was appointed by KSIDC w.e.f. 12th December 2019 replacing Mr. Sanjay M Kaul, IAS

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company's Corporate Social Responsibility Committee (CSR) consisted of one Independent Director, Managing Director and a Non Executive Director as its members during the year. The Board of Directors has adopted a CSR Policy to streamline the CSR activities and convey to all the stakeholders the CSR focus areas adopted by the Company.

The CSR committee recommends the specific CSR initiatives to be adopted by the Company, the amount of expenditure to be budgeted for the activities, monitors the CSR Policy of the company.

Meeting and Composition

During the year ended 31st March 2020, one CSR committee meeting was held on 11th March 2020. The composition of the Committee and their attendance details are given below:

Name of Members of Corporate Social Responsibility Committee	Category	No. of meetings attended
Mr. R Bupathy	Chairman, Non – Executive Independent Director	1
Mr. C J George	Member, Managing Director	1
Mr. Punnoose George	Member, Non-Executive Director	1

The Committee was reconstituted on 30th May 2019 by appointing Mr. R Bupathy, Independent Director as member and Chairman in place of Mr. A P Kurian, Independent Director who resigned from the Board w.e.f. 29.03.2019.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) consisted of one Independent Director, Managing Director and a Non Executive Director as its members during the year.

The Stakeholders Relationship Committee reviews and redresses shareholder grievances / complaints and oversees the performance of the Registrars and Share Transfer Agents and recommends measures for overall improvement of the quality of investor services. Mr. Liju K Johnson, Company Secretary of the Company acts as the Secretary to the Committee and as the Compliance Officer.

Meeting and Composition

One meeting of the Committee was held during the year on 05th February 2020. The composition of the Committee and their attendance details are given below:

Name of Members of Stakeholders Relationship Committee	Category	No. of meetings attended
Mr. R Bupathy	Chairman, Non – Executive Independent Director	0
Mr. C J George	Member, Managing Director	1
Mr. Punnoose George	Member, Non-Executive Director	1

Given below is the position of investor queries / complaints and other correspondences received and attended to during 2019-20:

Nature of complaint / queries	No. of complaints
For non-receipt of dividend, shares lodged for transfer, issue of duplicate share certificates.	Nil
Queries / Complaints redressed	Nil
Pending queries / complaints as on 31.03.2020	Nil
Other letters received from shareholders and replied	56

Every letter received from the investors is replied generally within two weeks of receipt unless the issues involved require investigation or looking into very old records to be retrieved from record room or information is to be obtained from banks or others.

ENTERPRISE RISK MANAGEMENT COMMITTEE

The Enterprise Risk Management Committee consists of one Non Executive Independent Director, Managing Director and a Non-Executive Director.

The Board of Directors has adopted a Risk Management Policy to provide an integrated and standardized approach to managing all aspects of the risk to which the Company is exposed.

Meeting and Composition

No meetings of the Committee were held during the year 2019-20. The details on composition of the Committee are given below:

Name of Members of Enterprise Risk Management Committee	Category
Mr. Mahesh Vyas	Non Executive Independent Director
Mr. C J George	Managing Director
Mr. Punnoose George	Non Executive Director

DE-MATERIALIZATION OF SHARES AND TRANSFERS

99.91% of shares of the Company are traded in de-materialized form. A table showing the requests received for de-materialization / transfer during 2019-20 is given below -

	Transfers		Demats		Remats	
	No. of requests	No. of shares	No. of requests	No. of shares	No. of requests	No. of shares
Lodged	-	-	4	30000	1	150
Processed	-	-	4	30000	1	150
Objections	-	-	-	-	-	-
Pending as on 31.03.2020	-	-	-	-	-	-

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	No. of Special Resolutions approved at the AGM
2018-2019	The Renai Cochin, Palarivattom, Kochi - 682025	07.08.2019	4.00 p.m	2
2017-2018	The Renai Cochin, Palarivattom, Kochi - 682025	02.08.2018	4.00 p.m	1
2016-2017	The Renai Cochin, Palarivattom, Kochi - 682025	25.07.2017	4.00 p.m	Nil

Extra-Ordinary General Meetings

No Extra- Ordinary General Meeting was held during the year 2019-20.

Postal Ballot

During the year under review, three special resolutions have been passed through the exercise of two postal ballot processes. Snapshots of the voting results of the postal ballots are as below:

1.	Date of Postal Ballot Notice	: 30.05.2019	Voting Period	: 11.06.2019 to 10.07.2019
	Date of Declaration of Results	: 12.07.2019	Date of Approval	: 10.07.2019

Name of Resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			No. of Votes	%	No. of Votes	%
1. Re-appointment of Mr. R Bupathy (DIN: 00022911) as an Independent Director for a second term of consecutive five years	Special Resolution	6,46,56,625	5,99,72,312	92.76	46,84,313	7.24
2. Re-appointment of Mr. Mahesh Madanlal Vyas (DIN: 00338749) as an Independent Director for a second term of consecutive five years	Special Resolution	6,46,56,590	5,99,72,278	92.76	46,84,312	7.24

2. Date of Postal Ballot Notice :	07.08.2019	Voting Period :	04.09.2019 to 03.10.2019
Date of Declaration of Results :	05.10.2019	Date of Approval :	03.10.2019

Name of Resolution	Type of resolution	No: of votes polled	Votes cast in favour		Votes cast against	
			No: of Votes	%	No: of Votes	%
1. Alteration of Objects Clause in the Memorandum of Association of the Company	Special Resolution	12,50,83,234	12,50,79,234	99.997	4000	0.003

The company successfully completed the process of obtaining approval of its shareholders for special resolutions detailed above through postal ballot.

Mr. Satheesh Kumar N, Practicing Company Secretary (ICSI membership No: ACS 16543 and Certificate of Practice No: 6607), was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for Postal Ballot

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provides electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-facility to all its Members. The Members have the option to vote either by physical ballot or by e-voting.

The Company dispatches the postal ballot notices and forms along with postage pre-paid business reply envelopes to its Members whose names appear in the Register of Members/the List of beneficiaries as on a cut-off date. The Postal Ballot Notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and the applicable Rules.

Voting rights are reckoned on the paid-up value of shares registered in names of Members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the end of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last day of e-voting.

The Scrutinizer submits his/her report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorised officer. The results are also displayed on the website of the Company, www.geojit.com, besides being communicated to the Stock Exchanges.

DISCLOSURES

1. Related Party Transactions

All related party transactions during the year were on an arm's length price basis and in the ordinary course of business. All these transactions were approved by Audit Committee. The Board approved policy for related party transactions has been uploaded on the website of the company and can be accessed at <https://www.geojit.com/About-Us/PDFs/Related%20Party%20Policy.pdf>

Loan given to Subsidiary - Geojit Credits Private Limited ₹ 1.80 crores as on 31.03.2020 (Maximum amount outstanding during the current year is ₹ 4.82 crores.)

Related party disclosures are provided in Note 40 of the Notes forming part of the accounts in accordance with the provisions of IndAS-24 – "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

In the opinion of the Board, the transactions entered into by the Company with the related parties were not in conflict with the interest of the Company.

2. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years: NIL

3. Vigil Mechanism and Whistle Blower Policy

The Company has laid down a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide a framework for responsible and secure whistle blowing mechanism. Details of the Vigil Mechanism are given in the Directors' Report. The

Policy can be accessed at: https://www.geojit.com/pdfs/VIGIL_MECHANISM%20%20Final%20Draft_Revised.pdf

The Company confirms that it has not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct and that it has provided protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

4. Policy for Determining Material Subsidiaries

In terms of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy for determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at: <https://www.geojit.com/pdfs/Policy-on-Material-Subsidiary.pdf>

5. Disclosure regarding Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Sl. no	Particulars	
1	Number of Complaints filed during the financial year	Nil
2	Number of Complaints disposed off during the financial year	Nil
3	Number of Complaints pending as on 31.03.2020	Nil

6. M/s B S R & Associates LLP, Chartered Accountants (ICAI Regn. No. 116231W/W-100024) have been appointed as the Statutory Auditors of the Company for a period of five years w.e.f. 04.08.2016. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Sl. no	Particulars	Amount
1	Statutory audit fees	16,50,000
2	Limited review fees	7,40,000

Sl. no	Particulars	Amount
3	Tax audit	1,00,000
4	Other services	3,30,500
5	Reimbursement of expenses	1,41,025
	Total	29,61,525

7. Cessation of Independent Director

Mrs. Mohana Raj Nair died on 02nd February 2020 and hence ceased to be an Independent Director of the Company.

8. The Company has fulfilled the following non mandatory requirements as prescribed under Schedule II Part E of SEBI (LODR) Regulations, 2015:
- The statutory financial statements of the Company are unmodified.
 - Mr. R Bupathy is the Chairman of the Company w.e.f. 30th May 2019. Mr. C J George is the CEO and Managing Director of the Company.
 - The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee and makes presentations to the Audit Committee on their reports.

UNCLAIMED DIVIDEND

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the rules mandate the transfer of shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, the dividend for the years mentioned as follows will be transferred to the IEPF on the respective dates if the dividend remains unclaimed for seven years, and the corresponding shares will also be transferred to IEPF if dividend is unclaimed for seven consecutive years:

Year	Type of Dividend	Dividend per share (in ₹)	Date of Declaration	Due Date of Transfer	Amount as on 31.03.2020 (in ₹)
2013	Interim	0.75	15.03.2013	21.04.2020	13,31,625.00
	Final	0.25	12.07.2013	18.08.2020	4,54,435.00
2014	Final	0.10	15.07.2014	21.08.2021	1,85,178.00
2015	Final	1.75	30.07.2015	05.09.2022	20,32,257.00
2016	Interim	1.00	17.03.2016	23.04.2023	9,56,518.00
2017	Final	1.25	25.07.2017	31.08.2024	12,50,082.00
2018	Final	2.00	02.08.2018	08.09.2025	8,90,550.00
2019	Final	1.00	07.08.2019	13.09.2026	6,90,510.00

The Company sends periodic intimation to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividends. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed back from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

The amount transferred in the past three years are as follows:

Financial Year	Type of Dividend	Date of Declaration of Dividend	Amount transferred (in ₹)	Date of transfer to IEPF
2020-21	Interim	15.03.2013	13,31,625	18.05.2020
2019-20	Final	12.07.2012	11,17,678	03.09.2019
2018-19	Final	12.07.2011	9,92,848	04.10.2018

The details of shareholders who have not claimed dividend during the last 7 years and details of related shares to be transferred to IEPF is uploaded in the website of the Company at <https://www.geojit.com/pdfs/GFS-7yearsUnpaidIEPFNoticetoshareholders-Div-13-19.pdf>

MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results are published in 'Financial Express and 'Metrovartha' newspapers. The results are also posted on the web site of the Company viz. www.geojit.com. The Company's web site also displays all official news releases as well as the presentation made to the institutional investors / analysts, if any.

The Company submits to NSE and BSE all compliances, disclosures and communications through NSE's NEAPS portal and BSE's Listing Centre respectively.

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting

Date	Wednesday, September 02, 2020
Time	4.00 p.m (IST)
Venue	Conducted through VC/OAVM with Registered Office of the Company as deemed venue
Financial year	1 April 2019 - 31 March 2020

The Company follows April - March as the Financial Year.

Listing on Stock Exchanges

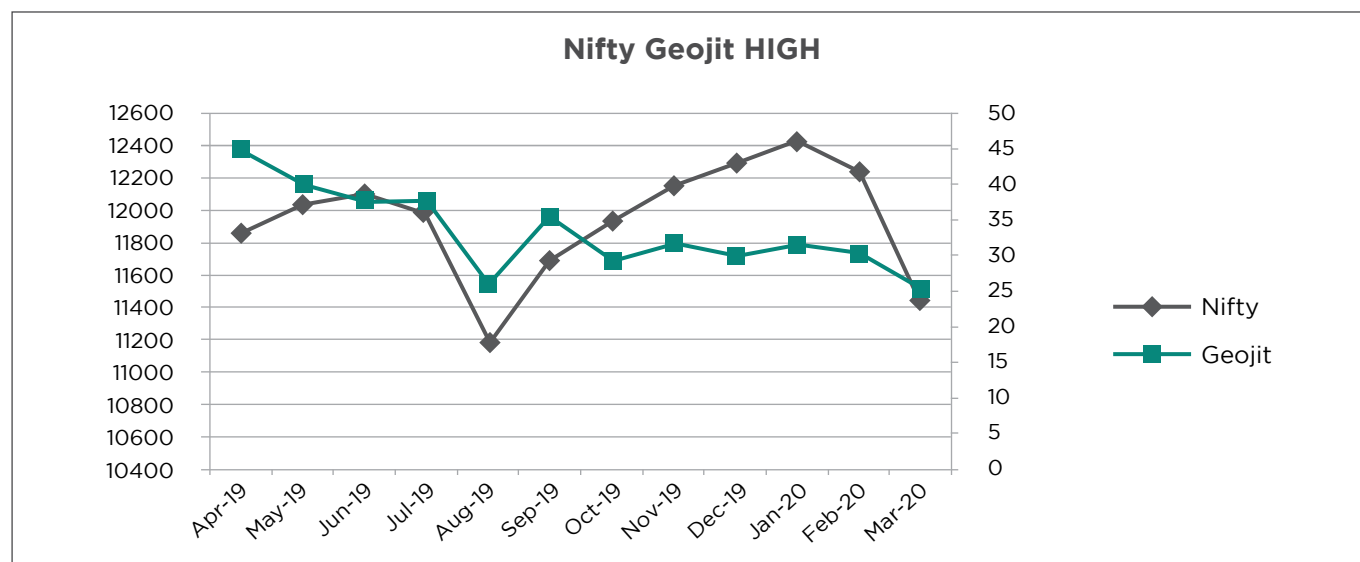
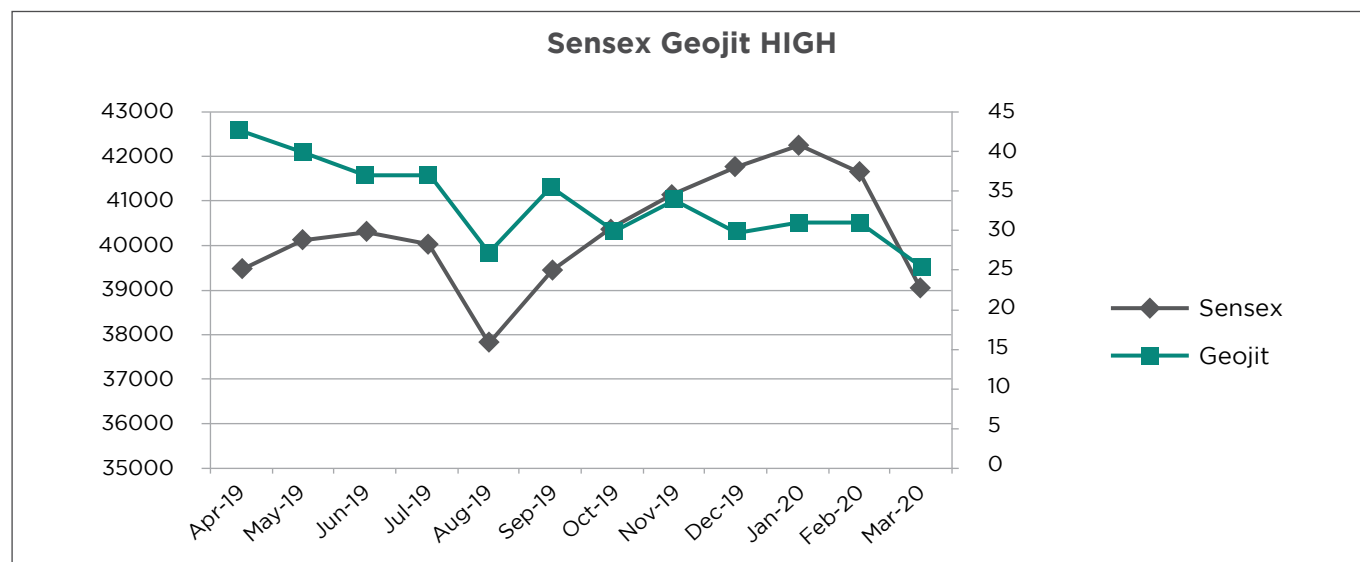
Stock Exchanges	ISIN	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	INE007B01023	532285
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	INE007B01023	GEOJITFSL

The Company has paid the annual listing fees to NSE and BSE for the financial year 2019-20

Market Price data: Market price of the equity shares of the Company during 2019-20 is given in the table below

	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2019	44.85	38.00	42.60	36.00
May 2019	40.00	33.10	40.00	33.20
June 2019	37.75	32.10	37.00	32.55
July 2019	37.70	24.50	37.00	24.70
August 2019	26.00	22.25	27.10	22.25
September 2019	35.45	24.85	35.45	25.00
October 2019	29.45	25.85	29.95	25.10
November 2019	31.70	28.45	33.90	28.25
December 2019	30.00	26.90	29.75	26.60
January 2020	31.50	27.45	31.00	27.55
February 2020	30.45	24.45	31.00	24.65
March 2020	25.45	14.90	25.40	15.00

PERFORMANCE OF THE COMPANY'S STOCK IN COMPARISON TO SENSEX & NIFTY



Distribution of the shareholding on the basis of categories of shareholders as on 31st March 2020 is as under:

Category Code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in de-materialized form	Total shareholding as a percentage of total number of shares	
					Total share holding as a % of (A+B)	Total share holding as a % of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group					
(1)	Indian					
(a)	Individuals/Hindu Undivided Family	10	49695736	49695736	20.854	20.854
(b)	Central Government State Government(s)	0	0	0	0	0
(c)	Financial Institutions/Banks	0	0	0	0	0
(d)	Any Other (specify)					
	Bodies Corporate	2	21873650	21873650	9.179	9.179
	Sub-Total (A)(1)	12	71569386	71569386	30.033	30.033
(2)	Foreign					
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0
(b)	Government	0	0	0	0	0
(c)	Institutions	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0
(e)	Any other (specify)					
	Bodies Corporate	1	76688959	76688959	32.182	32.182
	Sub-Total (A)(2)	1	76688959	76688959	32.182	32.182
	Total shareholding of Promoter and Promoter Group (A) =(A)(1)+(A)(2)	13	148258345	148258345	62.215	62.215
(B)	Public Shareholding					
(1)	Institutions					
(a)	Mutual Funds/UTI	1	862118	862118	0.362	0.362
(b)	Venture Capital Funds	0	0	0	0	0
(c)	Alternate Investment Funds	1	1452361	1452361	0.609	0.609
(d)	Foreign Venture Capital Investors	0	0	0	0	0
(e)	Foreign Portfolio Investors	5	3134882	3134882	1.316	1.316
(f)	Financial Institutions/Banks	1	142007	142007	0.060	0.060
(g)	Insurance Companies	0	0	0	0	0
(h)	Provident Funds/Pension Funds	0	0	0	0	0
(i)	Any Other					
	Foreign Portfolio Investment -Individual	0	0	0	0	0
	Foreign Portfolio Investment - Corporate	0	0	0	0	0
	Sub-Total (B)(1)	8	5591368	5591368	2.347	2.347
(2)	Central/State/Govt./President of India	0	0	0	0	0
	Sub-Total (B)(2)	0	0	0	0	0

Category Code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in de-materialized form	Total shareholding as a percentage of total number of shares	
					Total share holding as a % of (A+B)	Total share holding as a % of (A+B+C)
(3)	Non-Institutions					
(a)	Shareholders Holding Nominal Share Capital Upto ₹ 2 Lakhs	35894	29980401	29775779	12.580	12.580
(b)	Shareholders Holding Nominal Share Capital in excess of ₹ 2 Lakh	20	30232180	30232180	12.687	12.687
(c)	NBFC Regd. With RBI	0	0	0	0	0
(d)	Employee Trusts	0	0	0	0	0
(e)	Overseas Depositories (Holding DRs)	0	0	0	0	0
(f)	Any other					
	Directors & Relatives	4	10994451	10994451	4.614	4.614
	Bodies Corporate	159	2604550	2602550	1.093	1.093
	Trusts	2	517	517	0.000	0.000
	Non resident Indians	1128	7986208	7986208	3.352	3.352
	Clearing members	87	1189800	1189800	0.499	0.499
	Hindu undivided families	496	1074478	1074478	0.451	0.451
	Inv. Education and Protection Fund	1	308462	308462	0.129	0.129
	Unclaimed Share Suspense Account	1	79000	79000	0.033	0.033
	Sub-Total (B)(3)	37792	84450047	84243425	35.438	35.438
	Total B (B1+B2+B3)	37800	90041415	89834793	37.785	37.785
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0
	Grand Total	37813	238299760	238093138	100.000	100.000

Distribution of shareholding as on 31st March 2020 is as under:

Shareholding of nominal value of ₹	No. of Shareholders	% of Shareholders	Amount of Share Capital in ₹	% of Shareholding
Upto 5,000	36589	96.76	1,57,81,774	6.62
5,001 – 10,000	621	1.64	45,44,555	1.91
10,001 – 20,000	288	0.76	41,68,285	1.75
20,001 – 30,000	108	0.29	27,11,759	1.14
30,001 – 40,000	63	0.17	22,48,388	0.94
40,001 – 50,000	33	0.09	15,40,253	0.65
50,001 – 100,000	43	0.11	30,55,970	1.28
100,001 and above	68	0.18	20,42,48,776	85.71
Total	37813	100.00	23,82,99,760	100.00

Registrar and Transfer Agents	:	S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu - 641 006
Share Transfer System	:	Application for transfer of shares held in physical form is received at the office of the Registrars and Share Transfer Agents of the Company. The share certificates in physical format are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Shares held in de-materialised form are electronically traded and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository, the beneficiary holdings so as to enable them to update their records. Physical shares received for de-materialization are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect.
De-materialisation of shares and liquidity	:	99.91% of the Company's paid-up equity share capital has been de-materialized up to 31st March, 2020. Trading in equity shares of the Company is permitted only in de-materialized form.
Outstanding ADRs / GDRs / Warrants and Convertible instruments, conversion date and likely impact on equity	:	The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments in the past and hence as on March 31, 2020 the Company does not have any outstanding GDRs/ ADRs/Warrants or any convertible instruments.
Plant Locations :		In view of the nature of the Company's business viz, financial services, the company operates from various offices in India.
Address for Correspondence	:	For any assistance regarding de-materialization of shares, share transfers, transmission, change of address, non-receipt of dividend or any other query relating to shares or for any general correspondence, contact:
	:	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu - 641 006 Phone: 0422-4958995, 2539835-836, Fax: 0422- 2539837 mail: info@skdc-consultants.com
	:	The Company Secretary Geojit Financial Services Limited, 34/659-P, Civil Line Road, Padivattom, Kochi, Kerala - 682024 Phone: 0484- 2901000, Fax: 0484- 2979695 Email: companysecretary@geojit.com

CEO / CFO CERTIFICATE

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors,
Geojit Financial Services Ltd

We, C J George, Managing Director & CEO and Sanjeev Kumar Rajan, Chief Financial Officer (CFO) of the Company hereby certify that-

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) 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.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not found any significant deficiencies in the design or operation of such internal controls.
- d) We have indicated to the auditors and the Audit Committee that there are
 - i) no significant change in internal control over financial reporting during the year;
 - ii) no significant change in accounting policies during the year; and
 - iii) no instances of any significant fraud have come to our notice, which involve the management or an employee of the Company having significant role in the Company's internal control system over financial reporting.

Place: Kochi
Date: 04.08.2020

C.J George
Managing Director & CEO

Sanjeev Kumar Rajan
Chief Financial Officer

DECLARATION ON CODE OF CONDUCT

As required by Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all the Board members and Senior Management personnel have complied with the Code of Conduct of the Company.

Place: Kochi
Date: 04.08.2020

C. J George
Managing Director

CERTIFICATE BY COMPANY SECRETARY IN PRACTICE

In pursuance of Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that none of the Directors on the Board have been debarred or disqualified from continuing as a Director of company(ies) by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, the Reserve Bank of India or such statutory authorities as on March 31, 2020.

Place: Kochi
Date: 30.06.2020

For Satheesh and Remesh
Company Secretaries
N. Satheesh Kumar
Partner
Company Secretary in Practice
C P No.6607

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Geojit Financial Services Limited

The Certificate is issued in accordance with the terms of our engagement letter dated 31 July 2020.

We have examined the compliance of conditions of Corporate Governance by Geojit Financial Services Limited ("the Company"), for the year ended 31 March 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, pursuant to the Listing Agreement of the Company with Stock exchanges.

Management' Responsibility for compliance with the conditions of SEBI Listing Regulations

The Company's Management is responsible for compliance of conditions of Corporate Governance including the preparation and maintenance of all relevant supporting records and documents as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Auditor's Responsibility

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.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2020.

We conducted our examination of the corporate governance compliance by the Company as per the Guidance Note on Reports or Certificates for Special purposes (Revised 2016), Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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 Regulations.

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

Restriction on Use

This Certificate has been solely issued for the purpose of complying with the aforesaid Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Identification Number: 20222515AAAABN4552

Bengaluru

4 August 2020

ANNEXURE II TO DIRECTORS' REPORT**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on March 31, 2020**

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L67120KL1994PLC008403
ii	Registration Date	24.11.1994
iii	Name of the Company	Geojit Financial Services Limited
iv	Category / Sub-Category of the Company	Public Company/ Limited by shares
v	Address of the Registered office and contact details	11th Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024, Ph:0484 - 2901000, Fax: 0484 - 2979695, email: mailus@geojit.com Website: www.geojit.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu - 641 006 Ph: 0422 - 4958995, email: info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company is stated as below

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Services Activities	661	86.20

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as on 31.03.2020	Applicable section
1.	Geojit Investment Services Limited 11th Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U52599KL1995PLC008606	Subsidiary	100%	2(87)(ii)
2.	Geojit Techloan Private Limited 6th Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U72100KL2018PTC055631	Subsidiary	100%	2(87)(ii)
3.	Geojit Credits Private Limited 2nd Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682024	U65910KL1991PTC006106	Subsidiary	67.75%	2(87)(ii)
4.	Geojit Technologies Private Limited 9th Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U72900KL2004PTC017332	Subsidiary	65%	2(87)(ii)
5.	Qurum Business Group Geojit Securities LLC P O Box No- 205, PC 103, Building No - 184, 5th Floor, Near Bank Beirut, Al Ghubrah, Muscat - Sultanate of Oman	Not Applicable	Subsidiary	51%	2(87)(ii)
6.	Barjeel Geojit Financial Services LLC Suite No 308-309, The Business Center Building, Khalid Bin Al Waleed Street, PO Box No 32313, Dubai, UAE	Not Applicable	Associate	30%	2(6)

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of holding as on 31.03.2020	Applicable section
7.	BBK Geojit Securities Co. K.S.C.C 8th Floor, Khalefah Towers, Ahmed Al Jabber Street, Sharq, Kuwait	Not Applicable	Associate	30%	2(6)
8.	Al-oula Geojit Capital Company Abu Baker Road, Al-Nuzha, Riyadh, P.O BOX: 86303 Riyadh 11622	Not Applicable	Associate	28%	2(6)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters and Promoter Group									
(1) Indian									
a) Individual/HUF	4,92,45,736	0	4,92,45,736	20.666	4,96,95,736	0	4,96,95,736	20.854	0.188
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,18,73,650	0	2,18,73,650	9.179	2,18,73,650	0	2,18,73,650	9.179	0.000
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	7,11,19,386	0	7,11,19,386	29.845	7,15,69,386	0	7,15,69,386	30.033	0.188
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	7,66,88,959	0	7,66,88,959	32.182	7,66,88,959	0	7,66,88,959	32.182	0.000
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	7,66,88,959	0	7,66,88,959	32.182	7,66,88,959	0	7,66,88,959	32.182	0.000
Total shareholding of Promoter and Promoter Group	14,78,08,345	0	14,78,08,345	62.027	14,82,58,345	0	14,82,58,345	62.215	0.188
(A) = (A)(1)+(A)(2)									
B.Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	15,953	0	15,953	0.007	8,62,118	0	8,62,118	0.362	0.355
b) Financial Institutions/ Banks	46,649	0	46,649	0.020	1,42,007	0	1,42,007	0.060	0.040
c) Central Govt./State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
i) Any Other Specify	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	39,32,670	0	39,32,670	1.650	14,52,361	0	14,52,361	0.609	-1.041
Foreign Portfolio Investors	1,12,39,319	0	1,12,39,319	4.717	31,34,882	0	31,34,882	1.316	-3.401
Sub-total (B)(1)	1,52,34,591	0	1,52,34,591	6.394	55,91,368	0	55,91,368	2.347	-4.047
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	29,67,103	2,000	29,69,103	1.246	26,02,550	2,000	26,04,550	1.093	-0.153
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year April 01, 2019				No. of Shares held at the end of the year March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto. ₹ 1 lakh	2,43,98,640	2,30,472	2,46,29,112	10.336	2,78,23,679	2,04,622	2,80,28,301	11.762	1.426
ii) Individual shareholders holding nominal share capital in excess of. ₹ lakh	2,74,69,666	4,000	2,74,73,666	11.529	3,21,84,280	0	3,21,84,280	13.505	1.976
c) Others									
c-i) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
c-ii) Trusts	40,470	0	40,470	0.017	517	0	517	0.000	-0.017
c-iii) Directors & their Relatives	1,08,17,380	0	1,08,17,380	4.539	1,09,94,451	0	1,09,94,451	4.614	0.075
c-iv) Clearing Members	5,27,808	0	5,27,808	0.221	11,89,800	0	11,89,800	0.499	0.278
c-v) Hindu Undivided Families	11,12,305	0	11,12,305	0.467	10,74,478	0	10,74,478	0.451	-0.016
d) NRI's	73,10,905	0	73,10,905	3.068	79,86,208	0	79,86,208	3.352	0.284
e) Investor Education and Protection Fund Authority	2,92,716	0	2,92,716	0.123	3,08,462	0	3,08,462	0.129	0.006
f) Unclaimed share suspense Account	79,000	0	79,000	0.033	79,000	0	79,000	0.033	0.000
Sub-total (B)(2):	7,50,15,993	2,36,472	7,52,52,465	31.579	8,42,43,425	2,06,622	8,44,50,047	35.438	3.859
Total Public Shareholding (B)=(B)(1)+ (B)(2)	9,02,50,584	2,36,472	9,04,87,056	37.973	8,98,34,793	2,06,622	9,00,41,415	37.785	-0.188
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	23,80,58,929	2,36,472	23,82,95,401	100.00	23,80,93,138	2,06,622	23,82,99,760	100.00	0.000

(ii) Shareholding of Promoters and Promoter Group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Promoters (A)								
1	C.J. George	4,33,13,236	18.176	0	4,33,13,236	18.176	0	0.000
2	BNP Paribas S A	7,66,88,959	32.182	0	7,66,88,959	32.182	0	0.000
3	Kerala State Industrial Development Corporation Limited	2,00,00,000	8.393	0	2,00,00,000	8.393	0	0.000
Promoter Group (B)								
4	BNP Paribas India Holding Private Limited	18,73,650	0.786	0	18,73,650	0.786	0	0.000
5	Jones George C	28,75,000	1.206	0	31,00,000	1.301	0	0.095
6	Jyotis Abraham George	28,75,000	1.206	0	31,00,000	1.301	0	0.095
7	Lazar M A	40,000	0.017	0	40,000	0.017	0	0.000
8	Sara Macheril George	40,000	0.017	0	40,000	0.017	0	0.000
9	Eldho Abraham	39,500	0.017	0	39,500	0.017	0	0.000
10	Binoy Abraham	30,000	0.013	0	30,000	0.013	0	0.000
11	Emily Rajan	25,000	0.010	0	25,000	0.010	0	0.000
12	Sally Sampath	5,000	0.002	0	5,000	0.002	0	0.000
13	Susan Raju	3,000	0.001	0	3,000	0.001	0	0.000
Total (A+B)		14,78,08,345	62.026	0	14,82,58,345	62.216	0.000	0.190

(iii) Change in Shareholding of Promoter and Promoter Group

The Change in Shareholding of Promoter and Promoter Group during the year 2019-20 as per the details given below:

Sl. No.		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
Jones George					
1	At the beginning of the year	28,75,000	1.206	28,75,000	1.206
2	Purchase of shares on 16.08.2019	50,000	-	29,25,000	1.227
	Purchase of shares on 23.08.2019	35,000	-	29,60,000	1.242
	Purchase of shares on 30.08.2019	21,076	-	29,81,076	1.251
	Purchase of shares on 06.09.2019	18,924	-	30,00,000	1.259
	Purchase of shares on 20.03.2020	8,869	-	30,08,869	1.263
	Purchase of shares on 27.03.2020	91,131	-	31,00,000	1.301
3	At the End of the year	31,00,000	1.301	31,00,000	1.301
Jyotis Abraham George					
1	At the beginning of the year	28,75,000	1.206	28,75,000	1.206
2	Purchase of shares on 16.08.2019	38,430	-	29,13,430	1.223
	Purchase of shares on 23.08.2019	46,570	-	29,60,000	1.242
	Purchase of shares on 30.08.2019	20,000	-	29,80,000	1.251
	Purchase of shares on 06.09.2019	20,000	-	30,00,000	1.259
	Purchase of shares on 27.03.2020	1,00,000	-	31,00,000	1.301
3	At the End of the year	31,00,000	1.301	31,00,000	1.301

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

Sl. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Jhunjhunwala Rakesh	18037500	7.569	01.04.2019	-	-	18037500	7.569
	Radheshyam	18037500	7.569	31.03.2020	-	-	18037500	7.569
2	Esvee Capital	2993347	1.256	01.04.2019	-	-	2993347	1.256
		2993347	1.256	31.03.2020	-	-	2993347	1.256
3	Shamsudheen K V	2123500	0.891	01.04.2019	-	-	2123500	0.891
		2098180	0.880	13.03.2020	25320	Sell	2098180	0.880
4	Jhunjhunwala Rekha	2000000	0.839	01.04.2019	-	-	2000000	0.839
	Rakesh	2000000	0.839	31.03.2020	-	-	2000000	0.839
5	Chander Bhatia	1100815	0.462	01.04.2019	-	-	1100815	0.462
				19.07.2019	80000	Buy	1180815	0.496
				02.08.2019	50000	Buy	1230815	0.516
				09.08.2019	100000	Buy	1330815	0.558
				16.08.2019	50000	Buy	1380815	0.579
				23.08.2019	30000	Buy	1410815	0.592
				11.10.2019	50000	Buy	1460815	0.613
				01.11.2019	5000	Buy	1465815	0.615
				31.12.2019	50000	Buy	1515815	0.636
				14.02.2020	20000	Buy	1535815	0.644
				28.02.2020	66300	Buy	1602115	0.672
				06.03.2020	210000	Buy	1812115	0.760
				13.03.2020	20000	Buy	1832115	0.769
				27.03.2020	20000	Buy	1852115	0.777
				31.03.2020	50000	Buy	1902115	0.798
		1902115	0.798	31.03.2020	-	-	1902115	0.798

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
6	Motilal Oswal Focused Emergence Fund	2300000	0.965	01.04.2019	-	-	2300000	0.965
				20.09.2019	2300000	Sell	0	0.000
				20.09.2019	2300000	Buy	2300000	0.965
				28.02.2020	430500	Sell	1869500	0.785
				06.03.2020	319500	Sell	1550000	0.650
				20.03.2020	97639	Sell	1452361	0.609
		1452361	0.609	31.03.2020	-	-	1452361	0.609
7	Andicot Velayudhan Baburajan	1058450	0.444	01.04.2019	-	-	1058450	0.444
				20.03.2020	41550	Buy	1100000	0.462
		1100000	0.462	31.03.2020	-	-	1100000	0.462
8	Rajesh Seth	471770	0.199	01.04.2019	-	-	471770	0.199
				05.04.2019	2500	Buy	474270	0.199
				19.04.2019	2500	Buy	476770	0.200
				07.06.2019	2900	Buy	479670	0.201
				14.06.2019	2050	Buy	481720	0.202
				19.07.2019	8600	Buy	490320	0.206
				09.08.2019	30000	Buy	520320	0.218
				16.08.2019	287700	Buy	808020	0.339
				30.08.2019	135000	Buy	943020	0.396
				18.10.2019	9000	Buy	952020	0.399
				01.11.2019	2000	Buy	954020	0.400
				31.12.2019	7300	Buy	961320	0.403
				10.01.2020	9500	Buy	970820	0.407
				14.02.2020	5000	Buy	975820	0.409
				28.02.2020	22300	Buy	998120	0.419
		998120	0.419	31.03.2020	-	-	998120	0.419
9	ITI Multi Cap Fund And ITI Small Cap Fund	0	0.000	01.04.2019	-	-	0	0.000
				31.01.2020	358425	Buy	358425	0.150
				14.02.2020	40000	Buy	398425	0.167
				28.02.2020	124311	Buy	522736	0.219
				06.03.2020	85000	Buy	607736	0.255
				13.03.2020	1382	Buy	609118	0.256
				20.03.2020	253000	Buy	862118	0.362
10	Rita Duggal	862118	0.362	31.03.2020	-	-	862118	0.362
		607000	0.255	01.04.2019	-	-	607000	0.255
				23.08.2019	35000	Buy	642000	0.269
				06.09.2019	100000	Buy	742000	0.311
				18.10.2019	10000	Buy	752000	0.316
				25.10.2019	55000	Buy	807000	0.339
				14.02.2020	10000	Buy	817000	0.343
				21.02.2020	11000	Buy	828000	0.347
				28.02.2020	27000	Buy	855000	0.359
		855000	0.359	31.03.2020	-	-	855000	0.359

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
11	Armor Qualified, LP	2477815	1.040	01.04.2019	-	-	2477815	1.040
				05.04.2019	64942	Sell	2412873	1.013
				12.04.2019	27740	Sell	2385133	1.001
				19.04.2019	17799	Sell	2367334	0.993
				03.05.2019	156200	Sell	2211134	0.928
				10.05.2019	63367	Sell	2147767	0.901
				17.05.2019	21787	Sell	2125980	0.892
				24.05.2019	21025	Sell	2104955	0.883
				31.05.2019	101712	Sell	2003243	0.841
				07.06.2019	94273	Sell	1908970	0.801
				14.06.2019	12242	Sell	1896728	0.796
				21.06.2019	101774	Sell	1794954	0.753
				28.06.2019	20427	Sell	1774527	0.745
				05.07.2019	69053	Sell	1705474	0.716
				12.07.2019	47070	Sell	1658404	0.696
				19.07.2019	158043	Sell	1500361	0.630
				26.07.2019	63331	Sell	1437030	0.603
				27.09.2019	36377	Sell	1400653	0.588
				30.09.2019	12356	Sell	1388297	0.583
				04.10.2019	42135	Sell	1346162	0.565
				11.10.2019	30354	Sell	1315808	0.552
				18.10.2019	24858	Sell	1290950	0.542
				25.10.2019	15171	Sell	1275779	0.535
				29.11.2019	56640	Sell	1219139	0.512
				06.12.2019	4321	Sell	1214818	0.510
				13.12.2019	14581	Sell	1200237	0.504
				03.01.2020	7297	Sell	1192940	0.501
				10.01.2020	92812	Sell	1100128	0.462
				17.01.2020	55466	Sell	1044662	0.438
				24.01.2020	62208	Sell	982454	0.412
				31.01.2020	71801	Sell	910653	0.382
				07.02.2020	57014	Sell	853639	0.358
				14.02.2020	85707	Sell	767932	0.322
				21.02.2020	46127	Sell	721805	0.303
				28.02.2020	160666	Sell	561139	0.235
				06.03.2020	107052	Sell	454087	0.191
				13.03.2020	82687	Sell	371400	0.156
				20.03.2020	121898	Sell	249502	0.105
				27.03.2020	141340	Sell	108162	0.045
				31.03.2020	50181	Sell	57981	0.024
		57981	0.024	31.03.2020	-	-	57981	0.024

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
12	Armor Capital Offshore Master, Ltd	2028307	0.851	01.04.2019	-	-	2028307	0.851
				05.04.2019	53141	Sell	1975166	0.829
				12.04.2019	22820	Sell	1952346	0.819
				19.04.2019	14536	Sell	1937810	0.813
				03.05.2019	142323	Sell	1795487	0.753
				10.05.2019	51228	Sell	1744259	0.732
				17.05.2019	17683	Sell	1726576	0.725
				24.05.2019	17128	Sell	1709448	0.717
				31.05.2019	69845	Sell	1639603	0.688
				07.06.2019	77272	Sell	1562331	0.656
				14.06.2019	10107	Sell	1552224	0.651
				21.06.2019	83407	Sell	1468817	0.616
				28.06.2019	14370	Sell	1454447	0.610
				05.07.2019	35695	Sell	1418752	0.595
				12.07.2019	38458	Sell	1380294	0.579
				19.07.2019	131560	Sell	1248734	0.524
				26.07.2019	52751	Sell	1195983	0.502
				27.09.2019	30527	Sell	1165456	0.489
				30.09.2019	13815	Sell	1151641	0.483
				04.10.2019	34933	Sell	1116708	0.469
				11.10.2019	25130	Sell	1091578	0.458
				18.10.2019	20620	Sell	1070958	0.449
				25.10.2019	12585	Sell	1058373	0.444
				22.11.2019	9426	Sell	1048947	0.440
				29.11.2019	71010	Sell	977937	0.410
				06.12.2019	3433	Sell	974504	0.409
				13.12.2019	11919	Sell	962585	0.404
				03.01.2020	52056	Sell	910529	0.382
				10.01.2020	70844	Sell	839685	0.352
				17.01.2020	43107	Sell	796578	0.334
				24.01.2020	47424	Sell	749154	0.314
				31.01.2020	52539	Sell	696615	0.292
				07.02.2020	43632	Sell	652983	0.274
				14.02.2020	65601	Sell	587382	0.246
				21.02.2020	35263	Sell	552119	0.232
				28.02.2020	112381	Sell	439738	0.185
				06.03.2020	83778	Sell	355960	0.149
				13.03.2020	64804	Sell	291156	0.122
				20.03.2020	95594	Sell	195562	0.082
				27.03.2020	110786	Sell	84776	0.036
				31.03.2020	39330	Sell	45446	0.019
		45446	0.019	31.03.2020	-	-	45446	0.019

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
13	Armor Capital Partners, LP	1410349	0.592	01.04.2019	-	-	1410349	0.592
				05.04.2019	36917	Sell	1373432	0.576
				12.04.2019	15768	Sell	1357664	0.570
				19.04.2019	10096	Sell	1347568	0.566
				03.05.2019	99161	Sell	1248407	0.524
				10.05.2019	35792	Sell	1212615	0.509
				17.05.2019	12307	Sell	1200308	0.504
				24.05.2019	11847	Sell	1188461	0.499
				31.05.2019	60748	Sell	1127713	0.473
				07.06.2019	53038	Sell	1074675	0.451
				14.06.2019	6749	Sell	1067926	0.448
				21.06.2019	57261	Sell	1010665	0.424
				28.06.2019	18233	Sell	992432	0.416
				05.07.2019	38692	Sell	953740	0.400
				12.07.2019	26239	Sell	927501	0.389
				19.07.2019	88388	Sell	839113	0.352
				26.07.2019	35417	Sell	803696	0.337
				27.09.2019	27927	Sell	775769	0.326
				30.09.2019	21395	Sell	754374	0.317
				04.10.2019	22932	Sell	731442	0.307
				11.10.2019	16516	Sell	714926	0.300
				18.10.2019	13503	Sell	701423	0.294
				25.10.2019	8244	Sell	693179	0.291
				22.11.2019	7981	Sell	685198	0.288
				29.11.2019	40776	Sell	644422	0.270
				06.12.2019	2272	Sell	642150	0.269
				13.12.2019	7741	Sell	634409	0.266
				03.01.2020	17705	Sell	616704	0.259
				10.01.2020	47936	Sell	568768	0.239
				17.01.2020	28671	Sell	540097	0.227
				24.01.2020	32160	Sell	507937	0.213
				31.01.2020	37911	Sell	470026	0.197
				07.02.2020	29421	Sell	440605	0.185
				14.02.2020	44234	Sell	396371	0.166
				21.02.2020	23816	Sell	372555	0.156
				28.02.2020	79429	Sell	293126	0.123
				06.03.2020	55988	Sell	237138	0.100
				13.03.2020	43182	Sell	193956	0.081
				20.03.2020	63669	Sell	130287	0.055
				27.03.2020	73805	Sell	56482	0.024
				31.03.2020	26205	Sell	30277	0.013
		30277	0.013	31.03.2020	-	-	30277	0.013

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares in the beginning (01-04-2019)/ end of the year(31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
14	Cophall Mauritius Investment Limited	1489836	0.625	01.04.2019	-	-	1489836	0.625
				05.04.2019	139315	Sell	1350521	0.567
				19.04.2019	6311	Sell	1344210	0.564
				10.05.2019	53101	Sell	1291109	0.542
				17.05.2019	6247	Sell	1284862	0.539
				24.05.2019	121825	Sell	1163037	0.488
				31.05.2019	203156	Sell	959881	0.403
				05.07.2019	70	Sell	959811	0.403
				12.07.2019	7318	Sell	952493	0.400
				02.08.2019	50000	Sell	902493	0.379
				09.08.2019	320000	Sell	582493	0.244
				16.08.2019	263394	Sell	319099	0.134
				23.08.2019	319099	Sell	0	0.000
				31.03.2020	-	-	0	0.000
15	IIFL Focused Equity Strategies Fund	1184921	0.497	01.04.2019	-	-	1184921	0.497
				10.05.2019	100000	Sell	1084921	0.455
				28.06.2019	600000	Sell	484921	0.203
				02.08.2019	96678	Sell	388243	0.163
				09.08.2019	113196	Sell	275047	0.115
				16.08.2019	173474	Sell	101573	0.043
				23.08.2019	101573	Sell	0	0.000
		0	0.000	31.03.2020	-	-	0	0.000

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	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
A.	Directors				
1	C J George, Managing Director				
	At the beginning of the year	4,33,13,236	18.176	4,33,13,236	18.176
	Market purchase	-	-	-	-
	At the End of the year	4,33,13,236	18.176	4,33,13,236	18.176
2	R Bupathy, Director				
	At the beginning of the year	18,000	0.008	18,000	0.008
	Market Purchase	-	-	-	-
	At the End of the year	18,000	0.008	18,000	0.008
3	A Balakrishnan, Executive Director				
	At the beginning of the year	2,38,802	0.100	2,38,802	0.100
	Market purchase on 23.08.2019	12,500	-	2,51,302	0.105
	At the End of the year	2,51,302	0.105	2,51,302	0.105
4	Satish Menon, Executive Director				
	At the beginning of the year	6,35,578	0.267	6,35,578	0.267
	Market purchase on 23.08.2019	50,000	-	6,85,578	0.288
	Market purchase on 27.03.2020	64,422	-	7,50,000	0.315
	At the End of the year	7,50,000	0.315	7,50,000	0.315
5	Punnoose George, Director				
	At the beginning of the year	99,25,000	4.172	99,25,000	4.172
	Market purchase on 27.03.2020	50,149	-	99,75,149	4.186
	At the End of the year	99,75,149	4.186	99,75,149	4.186

Sl. No.	Particulars	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
B.	Key Managerial Personnel				
6	Sanjeev Kumar Rajan, CFO				
	At the beginning of the year	-	-	-	-
	Shares allotted under ESOP	-	-	-	-
	At the End of the year	-	-	-	-
7	Liju K Johnson, Company Secretary				
	At the beginning of the year	-	-	-	-
	Shares allotted under ESOP	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS (in ₹)

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	86,03,05,14,866.00	35,15,43,936.00	-	86,38,20,58,802.00
Reduction	86,03,05,14,866.00	35,15,43,936.00	-	86,38,20,58,802.00
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Executive Directors and/or Manager: (In ₹)

Sl. No.	Particulars of Remuneration	C J George - Managing Director	A Balakrishnan - Executive Director	Satish Menon - Executive Director	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	92,27,787	60,48,005	60,62,505	2,13,38,297
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	10,65,646	39,600	39,600	11,44,846
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	94,32,000	31,18,000	31,18,000	1,56,68,000
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	1,97,25,433	92,05,605	92,20,505	3,81,51,143
	Ceiling as per the Act[^]				6,66,23,989

[^]Ceiling is computed as per Section 197 - 10% of the Net profit computed as per Section 198.

B. Remuneration to other directors: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹)
1	Independent Directors	R Bupathy	Mahesh Vyas	Radhakrishnan Nair	James Varghese	Mohana Raj Nair*	
	Fee for attending Board/ Committee meetings	5,30,000	3,90,000	5,20,000	90,000	90,000	16,20,000
	Commission	-	-	-	-	-	-
	Other specify	-	-	-	-	-	-
	Total (1)	5,30,000	3,90,000	5,20,000	90,000	90,000	16,20,000
2	Other Non-Executive Directors	Punnoose George	M G Rajamanickam			-	
	Fee for attending Board/ Committee meetings	2,50,000	0	-	-	-	2,50,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	2,50,000	0	-	-	-	2,50,000
	Total (B)=(1+2)			18,70,000			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/EXECUTIVE DIRECTOR (₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Sanjeev Kumar Rajan (CFO)	Liju K Johnson (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	53,67,712	14,94,828	68,62,540
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	28,800	-	28,800
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	6,24,000	-	6,24,000
	- as % of profit			
	- others, specify			
5	Others, please specify	-	-	-
	Total (C)	60,20,512	14,94,828	75,15,340

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (UNDER COMPANIES ACT, 2013):

Nil

ANNEXURE III TO DIRECTORS' REPORT

FORM NO. MR-3

Secretarial Audit Report

(For the period 01.04.2019 to 31.03.2020)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members
 Geojit Financial Services Limited
 (L67120KL1994PLC008403)
 Kochi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Geojit Financial Services Limited (L67120KL1994PLC008403) (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 limited verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with various regulatory authorities 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 financial year ended on **March 31, 2020** ('Audit Period') 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 reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minute Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2020, as per the provisions of:-

1. The Companies Act, 2013 (**the Act**) and the Rules made there under;
2. Provisions of the Reserve Bank of India Act, 1934 to the extent the same is applicable to the Company.
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of compliance by the Indian company receiving amount of consideration for issue of shares under company's stock option scheme.

We further states that as the Company is a listed Company and the following acts, rules, regulations are applicable to the Company

- a. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- 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;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;(Not applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period)
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- h. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under and
- i. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations 2015.

We further report that, based on the representation made by the Company and its Officers in respect of systems and mechanism formed/followed by the Company and

on examination of the relevant documents and records in pursuance thereof, on test check basis, the following laws, regulations, directions, orders are applicable specifically to the Company:

1. SEBI (Stock-Brokers and Sub-Brokers) Regulations, 1992, as amended.
2. SEBI (Intermediaries) Regulations, 2008, as amended.
3. SEBI {KYC(Know Your Client) Registration Agency} Regulations, 2011, as amended
4. SEBI (Depositories and Participants) Regulations, 1996, as amended.

Based on the aforesaid information provided by the Company, we report that during the financial year under review, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards etc. mentioned above and we have no material observation or instances of non-compliance in respect of the same except that SEBI imposed monetary penalty under the provisions of sections 15C and 15 HB of the SEBI Act and Section 23C and 23 H of the SCR Act. The Hon'ble Securities Appellate Tribunal vide order dated August 8, 2019 in Appeal No.354 of 2019, reduced the amount of penalty from ₹ 30 lakhs to ₹ 15 lakhs. The said penalty relates to an observation during a SEBI inspection in 2015 relating to stock broking activities.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The Changes in the Composition of Board of Directors that took place during the period under review were carried out in compliance with provisions of the Companies Act 2013.

Adequate notice along with detailed notes on agenda is given to all the directors to schedule the Board meetings at least 7 days in advance and a reasonable system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

Based on the representation made by the Company and its Officers explaining to us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events / actions having a major bearing on

the Company's affairs in pursuance of the laws, rules, regulations, guidelines, etc, referred to above.

**For Satheesh and Remesh
Company Secretaries**

N. Satheesh Kumar
Partner
Company Secretary in
Practice
C P No.6607
UDIN: A016543B000405085

Place: Kochi
Date: 30.06.2020

To,
The Members
Geojit Financial Services Limited (L67120KL1994PLC008403)
Kochi

Our report of even date is to be read along with this letter.

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 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. Wherever 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 management. Our examination was limited to the verification of procedures on 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.

**For Satheesh and Remesh
Company Secretaries**

N. Satheesh Kumar
Partner
Company Secretary in
Practice
C P No.6607
UDIN: A016543B000405085

Place: Kochi
Date: 30.06.2020

ANNEXURE IV TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (2019-20)

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is https://www.geojit.com/pdfs/CSR_Policy_17-5-2018.pdf

2. Composition of the CSR Committee:

1. Mr. Ramanathan Bupathy - Chairman & Independent Director
2. Mr. C J George - Managing Director
3. Mr. Punnoose George - Non Executive Director

3. Average net profit of the Company for last three financial years: (2016-17,2017-18,2018-19)

Average Net Profit - ₹ 77.43 CR

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 1,56,92,164 towards CSR.

5. Details of CSR spend for the financial year (2019-20)

- a. Total amount spent for the financial year: ₹ 1,26,54,637
- b. Amount unspent, if any: ₹ 30,37,527

1	2	3	4	5	6	7	8
Sl No.	CSR Project or Activity Identified	Projects or Programs (1) Local Area or Other (2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) - Project or Programs wise	Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Education support for Underprivileged Children	(1)Kerala State- Districts of Ernakulam, Alappuzha, Calicut and Palakkad.	Schedule VII (ii)	16,62,500	16,62,500	16,62,500	Through Implementing Agency - 16,62,500
2	Student Police Cadet (SPC) Project	(1) Local Area (2)Ernakulam	Schedule VII (ii)	7,26,000	7,26,000	7,26,000	Through Geojit Foundation - 7,26,000
3	Institute for Financial Marketing Services (IFMS)	(1) Local Area (2) Kerala	Schedule VII (ii)	53,84,762	32,97,534	32,97,534	Through Geojit Foundation - 32,97,534
4	Govt. HSS, Binanipuram	(1) Local Area (2)Ernakulam	Schedule VII(ii)	0	48,700	48,700	Through Geojit Foundation-48,700
5	Sanadhana Buds School, Pothanikkad	(1) Local Area (2) Ernakulam	Schedule VII (ii)	0	3,00,000	3,00,000	Through Geojit Foundation-3,00,000
6	Nirmala Training Centre for Autistic Children	(1) Local Area (2) Ernakulam	Schedule VII (ii)	0	3,00,000	3,00,000	Through Geojit Foundation-3,00,000
	Education Support for two students	(1) Thrissur	Schedule VII (ii)	0	1,20,000	1,20,000	Through Geojit Foundation-1,20,000

1	2	3	4	5	6	7	8
SI No.	CSR Project or Activity Identified	Projects or Programs (1) Local Area or Other (2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) - Project or Programs wise	Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
7	HEALTH	SPARSH	(1) Local Area (2) Kerala (3) Tamilnadu (4) Karnataka	Schedule VII (i)	10,00,000	7,93,394	7,93,394 Through Geojit Foundation - 7,93,394
8		AP Varkey Mission Hospital-Cathlab	(1)Ernakulam District	Schedule VII (i)	0	10,00,000	10,00,000 Through Geojit Foundation-10,00,000
9		Distribution of Food Kit to a Migrant Labour Camp at Nettoor	(1) Ernakulam District	Schedule VII(i)	0	50,000	50,000 Through Geojit Foundation-50,000
10	Social Inclusion	Support to Blind Federation, Pothanikkad	(1) Local Area (2) Ernakulam District	Schedule VII (iii)	8,50,000	7,45,700	7,45,700 Through Geojit Foundation - 7,45,700
11		Home for the Homeless	(1) Kolkata	Schedule VII (iii)	0	50,000	50,000 Through Geojit Foundation - 50,000
12		Swanthana Palliative Care Unit-Tripunithura Taluk Hospital	(1) Local Area (2) Ernakulam	Schedule VII (iii)	3,36,240	40,000	40,000 Through Geojit Foundation-40,000
13	Environment	Maintenance and upkeep of Subash Park	(1) Local Area (2) Ernakulam District	Schedule VII (iv)	31,25,000	17,77,752	17,77,752 Through Geojit Foundation - 17,77,752
14	Others	Others(Retention Amount towards Civil and Interior work at IFMS)	(1) Local Area (2) Ernakulam District	Schedule VII (ii)	18,23,662	2,25,672	2,25,672 Through Geojit Foundation-2,25,672
15	Administrative Expenses	Salary and Travel Expenses to CSR Staff and CEO, Geojit Foundation	(1) Local Area (2) Kerala	-	7,84,000	15,17,385	15,17,385 Directly spent by the Company-2,45,249. Through Geojit Foundation-12,72,136
TOTAL				1,56,92,164	1,26,54,637	1,26,54,637	1,26,54,637

6. The Company could not spend the prescribed CSR expenditure due to lockdown restrictions imposed due to Covid-19. We have not factored in the money equivalent of the time spent by the managing Committee members in carrying out the CSR Projects.
7. The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

SD/-
Ramanathan Bupathy
 Chairman & Independent Director

SD/-
C J George
 Member CSR Committee, Managing Director & CEO

ANNEXURE - V TO DIRECTORS' REPORT

Form No. AOC-2

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

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

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

Sl. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Not Applicable
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts/arrangements/transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions'	
f.	Date of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

Sl. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	As provided in Note 40 to the financial statements
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts/arrangements/transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Date of approval by the Board	
f.	Amount paid as advances, if any	

For and on behalf of the Board of Directors

Place: Kochi
Date: 04.08.2020

**Sd/-
Chairman**

ANNEXURE - VI TO DIRECTORS' REPORT

Statement of Foreign Exchange Earnings and Outgo

(In ₹)		
Particulars	2019-20	2018-19
Foreign Exchange earnings	2,87,01,133	2,77,32,412
Foreign Exchange outgo	83,67,630	23,19,313

ANNEXURE VII TO THE DIRECTORS' REPORT**Statement of Disclosure of Remuneration**

Pursuant to Section 197 of the Act and Rule 5(1) of Companies
(Appointment and Remuneration of Managerial Personnel), Rules 2014

1. Ratio of the remuneration of each Executive Directors* to the median remuneration of the employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Managing Director & CEO, Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2019-20.

Sr. No.	Name of Director/Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1.	Mr. C J. George	Managing Director and Chief Executive Officer	83.79	7.39%
2.	Mr. Satish Menon	Executive Director	39.17	50.05%
3.	Mr. A Balakrishnan	Executive Director	39.10	51.34%
4.	Mr. Sanjeev Kumar Rajan	Chief Financial Officer		7.07%
5.	Mr. Liju K Johnson	Company Secretary		19.62%

* None of the Non Executive Directors of the Company was paid remuneration except sitting fees paid for Board/Committee Meetings.

- i. The percentage increase in the median remuneration of employees for the financial year was 39%.
- ii. The Company had 2031 employees on the rolls of Company as on 31st March, 2020.
- iii. The overall remuneration cost for all employees has decreased by 5% in FY 2019-20 in comparison to the previous FY 2018-19. However, the average remuneration cost per employee increased by 24%. For Key Managerial Personnel the remuneration cost went up by 22%.
- iv. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Kochi
Date: 04.08.2020

Sd/-
Chairman

ANNEXURE VIII TO DIRECTORS' REPORT

Details of the Employee Stock Option Scheme (ESOS) as of March 31, 2020 pursuant to the requirements under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

- The Company has three ESOS viz. ESOS 2010, ESOS 2016 and ESOS 2017 during the FY 2019-20. ESOS 2010 expired in June 2019.
- During the year under review, the Company has not amended the terms of stock options granted under ESOS 2010, ESOS 2016 and ESOS 2017.
- The existing Schemes ESOS 2016 and ESOS 2017 are in compliance with the Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Companies Act, 2013.

The following details have been disclosed on the Company's website at <http://www.geojit.com>

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant Ind AS as prescribed from time to time.

The disclosures are provided in the Note 34 to the financial statements of the Company for the year ended March 31, 2020.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Ind AS 33 - Earnings per Share' issued by ICAI or any other relevant Ind AS as prescribed from time to time.

1.58

Details related to ESOS:

- (i) The general terms and conditions pertaining to stock options granted under ESOS 2010, ESOS 2016 and ESOS 2017 are given below:

Employee Stock Options as on March 31, 2020

Plan/ Schemes	Date of shareholders approval	Total No. of Options approved	Exercise Price (₹)	Number of options outstanding at the beginning of the year	Number of options granted during the year	Options Vested	Number of options Exercised during the year	Number of Shares allotted during the year	Number of options lapsed/ forfeited during the year	Number of options outstanding at the end of the year	Number of options exercisable at the end of the year
ESOS 2010- Tranche -IV	12 July 2010	1,12,00,000	41.45	6,56,028	-	-	4,359	4,359	6,51,669	-	-
ESOS 2016- Grant I	4 August 2016	94,00,000	41.60	55,69,414	-	21,533	-	-	70,565	54,98,849	3,56,784
ESOS 2016- Grant II	4 August 2016	94,00,000	117.40	9,08,641	-	35	-	-	1,03,060	8,05,581	1,695
ESOS 2016- Grant III	4 August 2016	94,00,000	117.35	1,485	-	-	-	-	-	1,485	-
ESOS 2016- Grant IV	4 August 2016	94,00,000	101.25	11,700	-	-	-	-	230	11,470	-
ESOS 2016- Grant V	4 August 2016	94,00,000	101.15	2,24,571	-	2,24,571	-	-	1,825	2,22,746	2,22,746
ESOS 2016- Grant VI	4 August 2016	94,00,000	44.10	7,02,773	-	-	-	-	1,92,871	5,09,902	-
ESOS 2016- Grant VII	4 August 2016	94,00,000	39.75	12,78,698	-	-	-	-	1,63,356	11,15,342	-
ESOS 2016 - Grant VIII	4 August 2016	94,00,000	27.60	-	1,59,691	-	-	-	1,448	1,58,243	-
ESOS 2017- Tranche 1	22 November 2017	47,10,888	117.35	8,60,699	-	-	-	-	55,179	8,05,520	8,05,520
ESOS 2017 - Special 1	22 November 2017	47,10,888	98.20	4,00,000	-	28,295	-	-	71,705	3,28,295	28,295
ESOS 2017- Tranche 2	22 November 2017	47,10,888	39.75	10,70,594	-	-	-	-	70,753	9,99,841	-
ESOS 2017 - Special 2	22 November 2017	47,10,888	38.75	-	90,000	-	-	-	-	90,000	-

Method used to account for ESOS	Fair Value Method
Options Exercised during FY 2019-20	4,359
Share Capital Money received during the above period (in ₹)	4,359
Share Premium Money received during the above period (in ₹)	1,76,321.55
Perquisite Tax Amount collected during the aforesaid period (in ₹)	0.00
Total amount collected during the aforesaid period (in ₹)	1,80,680.55

Particulars	ESOS 2010	ESOS 2016	ESOS 2017
Vesting Requirement	100% of granted stock options shall vest on completion of two years from the grant date.	Vesting will be on 1st of October every year starting from 1st Oct 2017, provided the employee has fulfilled the conditions of target achievement for the previous financial year.	Stock options shall vest on completion of one year from the grant date subject to the fulfilment of granting conditions.
Maximum term of options	Five years from the date of grant of stock options	Eight years from the date of grant of stock options	Five years from the date of grant of stock options
Source of shares	Primary	Primary	Primary
Variation in terms of ESOS	Nil	Nil	Nil

II. Details of Options granted to Directors and Senior Managerial Persons during the year

Name	Designation	No. of options granted under ESOS 2017 (Special 2)	Exercise Price of options granted under ESOS 2017 (Special 2) (₹)	No. of options granted under ESOS 2016 (Grant VIII)	Exercise Price of options granted under ESOS 2016 (Grant VIII) (₹)
Kamal Mampilly	Chief - Human Resources	90,000	38.75	-	-
Deepali Jose	General Manager	-	-	268	27.60

III. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a) Description

Schemes	weighted-average fair value of options	weighted-average exercise price	expected volatility	expected option life	expected dividends	risk-free interest rate
ESOS 2010- Tranche IV	16.64	30 May 19 – 39.05 07 Aug 19 – 23.75	66%	2	0.46%	8.00%
ESOS 2016 - Grant I	13.45	-	35%	2.7-5.7	2.00%	6.70%-6.90%
ESOS 2016 - Grant II	37.48	-	37%	2.6-4.6	1.20%	6.10%-6.30%
ESOS 2016 - Grant III	38.37	-	39%	2.7-4.2	1.20%	6.70%-6.90%
ESOS 2016 - Grant IV	33.57	-	40%	2.5-4.0	1.20%	6.80%-7.00%
ESOS 2016- Grant V	27.58	-	39%	2.5	2.20%	7.00%
ESOS 2016- Grant VI	12.67	-	37%	2.8-3.3	2.20%	6.90%-7.00%
ESOS 2016- Grant VII	11.15	-	39%	2.5-3.0	2.20%	6.50%-6.60%
ESOS 2016- Grant VIII	7.96	-	36%	3.2	2.20%	5.80%
ESOS 2017- Tranche 1	33.77	-	39%	2.5	1.20%	6.70%
ESOS 2017 - Special 1	33.59	-	39%	2.5-5.5	2.20%	7.20%-7.70%
ESOS 2017- Tranche 2	10.74	-	39%	2.5	2.20%	6.50%
ESOS 2017 - Special 2	12.43	-	39%	2.5-5.5	2.58%	6.30%-6.70%

- b) The method used and the assumptions made to incorporate the effects of expected early exercise; Black – Scholes Options Pricing Model
- c) How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; Annualised volatility is computed using the high and low market price of the Company's share over the one year period prior to the date of grant. It is assumed that employees would exercise the options immediately on vesting. The historical volatility of the Company's share price is higher than the volatility considered above. However, the Company expects the volatility of its share price to reduce as it matures.
- d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition

Disclosures in respect of grants made in three years prior to IPO under the ESOS: All the Options granted in the three years prior to the IPO have either been exercised or have lapsed.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identification Number	L67120KL1994PLC008403				
2. Name of the Company	Geojit Financial Services Limited				
3. Registered Office Address	11th Floor, 34/659-P, Civil Line Road, Padivattom, Kochi - 682024				
4. Website	www.geojit.com				
5. Email ID	companysecretary@geojit.com				
6. Financial Year Reported	2019-20				
7. Sector that the Company is engaged in	Financial Services Industry. NIC 2008 Code - 661				
8. Key products that the Company manufactures/ provides	<table border="1"> <thead> <tr> <th>Product</th><th>NIC Code 2008</th></tr> </thead> <tbody> <tr> <td>Securities Broking and Financial Products Distribution</td><td>661</td></tr> </tbody> </table>	Product	NIC Code 2008	Securities Broking and Financial Products Distribution	661
Product	NIC Code 2008				
Securities Broking and Financial Products Distribution	661				
9. Total No. of locations where business activity is undertaken by the Company	1. Number of National Locations: 457 offices across 19 states and 2 union territories in India 2. Number of International Locations: 7 offices served through overseas subsidiaries, associates and joint ventures				
10. Markets served by the Company	The Company predominantly serves the Indian Markets.				

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital	₹ 23.83 Crores
2. Total Turnover	₹ 285.45 Crores
3. Total Comprehensive Income	₹ 37.65 Crores
4. Total Spending on Corporate Social Responsibility	a. Average net profit of the Company for last three financial years: ₹ 77.43 Crores b. Total amount spent for the financial year 2019-20: ₹ 1.26 Crores
5. List of activities, in which expenditure in 4 above, has been incurred	a. Education b. Health c. Social Inclusion d. Environment

SECTION C: OTHER DETAILS

Details of Subsidiaries of the Company	The Company has five subsidiaries namely: <ol style="list-style-type: none"> Geojit Technologies Private Limited (GTPL) Geojit Credits Private Limited (GCPL) Geojit Investment Services Limited (GISL) Geojit Techloan Private Limited Qurum Business Group Geojit Securities LLC
Participation of Subsidiaries/Associates in the BR Initiatives of the Company	No
Participation of other entities that the Company does business with in the BR initiatives of the Company	No

SECTION D: BUSINESS RESPONSIBILITY INFORMATION**1. Details of Director/Directors responsible for BR:**

a. Details of the Director/ Directors Responsible for implementation of the BR policy/policies	DIN	:	00003132
	Name	:	Mr. C J George
	Designation	:	Managing Director
b. Details of the BR Head	DIN	:	00050016
	Name	:	A Balakrishnan
	Designation	:	Executive Director
	Tele No.	:	0484-2901000
	Email ID	:	abk@geojit.com

2. Principle-wise (as per NVGs) BR Policy/Policies:

The National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

a. Details of Compliances (Reply in Y/N):

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy/ policies for...?	Y	Y	Y	Y	Y	N	Y	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	NA	Y	Y	Y
3. Does the policy conform to any national/ international standards? If yes, specify*	Y	Y	Y	Y	Y	NA	Y	Y	Y
4. Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	NA	Y	Y	Y
5. Does the company have a specified committee of the Board/Directors/official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	NA	Y	Y	Y
6. Indicate the link for the policy to be viewed online?	NA								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	NA	Y	Y	Y
8. Does the Company have in-house structure to implement the policy /policies?	Y	Y	Y	Y	Y	NA	Y	Y	Y
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/ policies?	Y	Y	Y	Y	Y	NA	Y	Y	Y
10. Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	NA	Y	Y	Y

*In line with the general laws and regulations and sound ethical practices followed nationally.

b. If answer to the question at serial number 1 against any principle is 'No', please explain why (Tick up to 2 options):

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3. The Company does not have any financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4. It is planned to be done within the next 6 months	-	-	-	-	-	-	-	-	-
5. It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6. Any other reason (please specify)	-	-	-	-	-	Y*	-	-	-

* The Company primarily engage in financial services industry and make all efforts in protecting the environment. The head office of the Company is an energy efficient building consuming 25 percent less energy and over 40 percent less water than conventional buildings of similar size. The company also ensures optimized and efficient energy management in all its offices, located across India. With the implementation of its digital initiatives the company has also substantially reduced its paper consumption.

3. Governance related to BR:

- a. Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6months, Annually, More than 1 Year

Annually

- b. Does the company publish a BRR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published

This report published by the Company in its Annual Report 2019-20 is the first BRR.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs/ Others?	The Policy covers only the Company
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by management? If so, provide details thereof	<p>The Company has received 56 letters from its shareholders. However, no Complaint was outstanding as on March 31, 2020. In addition to this there are no complaints received during the year relating to ethics, bribery or corruption from any stakeholders.</p> <p>With respect to clients :</p> <p>Total no of client's complaints received - 282</p> <p>Total no of client's complaints resolved as on 31.03.2020 - 273 (96.81%)</p> <p>9 out of 282 cases resolved after 31.03.2020 (3.19%). Most of the complaints lying unresolved as on 31.03.2020 were received towards the end of March 2020.</p>

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List three products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities	The Company provides sustainable financial services products to cater to different class of customers through an extensive network of offices and through online channels.
2. For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product(optional):	<p>i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?</p> <ul style="list-style-type: none"> Not applicable as the Company is engaged in financial services industry <p>ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p> <ul style="list-style-type: none"> Not applicable as the Company is engaged in financial services industry
3. Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably	NA
4. Steps taken to procure goods and services from local and small producers, including communities and capability building initiatives, undertaken for local and small vendors	NA.
5. Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as 10%)	NA

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Total No. of employees	2031(Excluding casuals & contract staffs)			
2. Total number of employees hired on temporary/ contractual/casual basis	63			
3. Number of permanent women employees	496 (Excluding trainees & contract staffs)			
4. Number of permanent employees with disabilities	1			
5. Employee associations recognised by the management	Nil			
6. Percentage of permanent employees that are members of recognised employee associations	NA			
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
	1	Child labour/forced labour/involuntary labour	Nil	Nil
	2	Sexual Harassment	Nil	Nil
	3	Discriminatory Employment	Nil	Nil
8. Percentage of employees that were given safety and skill upgradation training in the previous year.	All employees are given training in the areas of safety measures and skill upgradation.			

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

1. Has the Company mapped its internal and external stakeholders? Yes/No	Yes. The Company has mapped its key internal and external stakeholders.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes. The Company has identified disadvantaged, vulnerable & marginalized stakeholders.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?	The Company along with Geojit Foundation has been working on several initiatives for promotion of inclusive growth. CSR department of the Company in tune with the CSR policy has worked towards the advancement of the society by undertaking various measures.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors / NGOs/ Others?	<p>The Company highly values human rights and has adopted HR policies to address this aspect. The HR Policies extend to the Company and its subsidiaries.</p> <p>The Company does not promote any kind of discrimination between its employees, customers and other stakeholders on the basis of race, caste, religion, sex etc.</p> <p>The Company has a Vigil Mechanism and Whistle Blower Policy which enables the Management and employees to report genuine concerns about the Company's functions. There are also separate mechanisms to address the grievances of employees/customers and also on the complaints of sexual harassment at workplace.</p>
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received pertaining to human rights violation during the reporting period.

PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ NGOs/ Contractors/others.	The Company is engaged in financial services industry and takes utmost care in the preservation of environment by adopting best practices in efficient energy management. The Company gives utmost importance to its employees' health and safety.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	NA.
3. Does the company identify and assess potential environmental risks? Y/N	NA
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?	The Company is not a manufacturing concern and does not generate waste or products or byproducts generally associated with manufacturing.
5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	NA
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	NA
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on the end of Financial Year.	The Company has not received any show cause/ legal notices from CPCB/SPCB during the financial year under review.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	The Confederation of Indian Industry (CII) Kerala Management Association (KMA), The Cochin Chamber of Commerce & Industry
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas	The Company through trade bodies and associations puts forth a number of suggestions with respect to the economy in general and the financial services sector in particular.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company has established Institute for Financial Market Studies (IFMS) through Geojit Foundation, a public charitable institution of Geojit Financial Services Limited, IFMS offers certification courses of National Institute of Securities Market (NISM) to all Graduates/ Post Graduates who are looking forward to an exciting career in the investment services industry. The Company also has a dedicated department for CSR activities and has a well-defined CSR policy which is in line with the provision of the Companies Act, 2013. The CSR activities of the Company are mainly carried out through Geojit Foundation.
2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO / government structures/any other organization?	Activities are mainly carried out directly by the Company and through own foundation namely Geojit Foundation.
3. Have you done any impact assessment of your initiative?	CSR department of the Company/Geojit Foundation is undertaking the impact assessment of the major initiatives. Feedback taken from the beneficiaries is reviewed and correcting measures are taken wherever required.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken	The Company has spent ₹ 1.26 crores on the CSR Activities during the financial year 2019-20. Please refer the Annual Report on the CSR forming part of the Annual Report, containing the details on CSR Spending.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	The projects undertaken by Geojit Foundation are designed to the needs of the target group. The foundation had taken many initiatives in community development such as Education support for Underprivileged and autistic children, Distribution of Food Kit to a Migrant Labour Camps, providing housing and sanitation, environment maintenance etc. Please refer to the CSR Annual Report for the financial year ended March 31, 2020.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.	3.19% of customer complaints pending as on 31.03.2020. Most of the complaints lying unresolved as on 31.03.2020 were received towards the end of March 2020.
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A. / Remarks	NA
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof	There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior against the Company.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes. The Company conducts customer satisfaction surveys and the same is utilized as an effective tool to understand the customer requirements and to provide better services.

FINANCIAL STATEMENTS



Independent Auditors' Report

To the Members of Geojit Financial Services Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Geojit Financial Services Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended 31 March 2020, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

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 ("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 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matters

Transition date accounting policies

Refer to Note 43 to the Standalone Financial Statements: 'First time adoption of Ind AS'

Key audit matter	How the matter was addressed in our audit
Adoption of new accounting framework (Ind AS) Effective 1 April 2019, the Company adopted the Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with transition date of 1 April 2018. The following are the key impact areas for the Company upon transition to Ind AS: <ul style="list-style-type: none"> • Classification and measurement of financial assets and financial liabilities • Expected Credit Loss model for determining impairment losses • Accounting for employee stock options; and • Accounting for Leases under Ind AS 116; 	Our audit procedures included: <ul style="list-style-type: none"> • We have confirmed the approvals of Audit Committee for the choices and exemptions made by the Company for compliance with Ind AS 101. • Evaluated management's transition date choices and exemptions for compliance under Ind AS 101. • Evaluated the appropriateness of the accounting policies based on the requirements of the applicable standards. • Assessed the accuracy of the computations for selected transactions.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report *(Continued)***Key Audit Matters** *(Continued)*

Key audit matter	How the matter was addressed in our audit
<p>Transition adjustments include complex accounting treatments, which require determination of new accounting policies; election of various transition options available and practical expedients; and application of higher degree of management judgement and estimates.</p> <p>We identified transition adjustments as a Key audit matter because of significant degree of management judgment and estimates on the areas noted above.</p>	<ul style="list-style-type: none"> Assessed areas of significant estimates and management judgement in line with principles under Ind AS.
Information Technology	
IT systems and controls	
<p>The Company's key financial accounting and reporting processes are highly dependent on the information systems including automated controls in implemented in the Information Technology (IT) systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p>	<p>We have focused on General IT controls i.e. access management, change management and computer operations control and IT application controls on specific system generated reports and system/application processing over key financial accounting, reporting systems and control systems, for recording of income.</p> <p>Our audit procedures to assess the effectiveness of IT system included the following:</p>
<p>We have identified 'IT systems and controls' as Key audit matter, since for the primary business (broking income), the Company relies on automated processes and controls for recording of income.</p>	<ul style="list-style-type: none"> Performed walkthroughs to evaluate the design and implementation of key automated controls. Involved our IT specialists to test the effectiveness of identified key IT automated controls and IT systems. IT specialists tested relevant key controls operating over IT in relation to financial accounting and reporting systems, including general controls i.e. system access and system change management and computer operations. IT specialists tested design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and other preventive controls. For a selected group of key controls over financial and reporting system, IT specialists independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. Other areas that were independently assessed included password policies, security configurations, system generated reports and system interface controls. Evaluating the design, implementation and operating effectiveness of identified significant accounts related IT automated controls which are relevant for accuracy of system calculation, and consistency of data transmission.

Independent Auditor's Report *(Continued)*

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises of management reports such as Directors' report and Corporate Governance report (but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon) which we obtained prior to the date of this Auditor's Report and the remaining sections of Annual Report which are expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above) if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone 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 and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Independent Auditor's Report *(Continued)*

section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone 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 auditors' 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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) 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 standalone balance sheet, the standalone statement of profit and loss, the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

Independent Auditor's Report (Continued)

(B) With respect to the other matters to be included in the Auditors' 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 disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 31 to the standalone financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Document Identification

Number: 20222515AAAAAS2399

Bengaluru

12 June 2020

Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a service company, primarily rendering financial services. Accordingly, paragraph 3 (ii) of the Order is not applicable.
- (iii) The Company has granted loans to one of its subsidiary covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the subsidiary covered in the register maintained under Section 189 of the Act was not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loan granted to the subsidiary covered in the register maintained under Section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated.
 - (c) There are no overdue amounts in respect of the loan granted to the subsidiary.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, guarantees given and investments made as applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits falling under the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditors' Report (Continued)

(b) According to the information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,573,221 (2,573,221)*	2000-01	Honorable High Court of Kerala
Income Tax Act, 1961	Income Tax	1,033,321 (1,033,321)*	2001-02	Honorable High Court of Kerala
Income Tax Act, 1961	Income Tax	909,450 (909,450)*	2002-03	Honorable High Court of Kerala
Income Tax Act, 1961	Income Tax	1,516,840 (1,516,840)*	2007-08	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	2,800,120 (1,623,570)*	2008-09	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	72,056,240	2009-10	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	2,093,220	2010-11	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	3,929,883	2015-16	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	3,929,883	2016-17	Commissioner of Income Tax (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	4,901,978 (250,247)*	April 2008 to June 2012	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	1,095,232 (41,492)*	2009-10	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	813,065 (54,043)*	2010-11	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	510,258 (18,948)*	2012-13	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	302,308 (20,271)*	April 2015 to June 2017	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	175,608 (6,398)*	2012-13	Commissioner of Central Excise (Appeals), Kochi

* Represents the payment made under protest.

(viii) According to the information and explanations given to us, the Company did not have any outstanding term loans, debentures and dues to financial institutions during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details

Annexure A to the Independent Auditors' Report *(Continued)*

of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, 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.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Document Identification

Number: 20222515AAAAAS2399

Bengaluru

12 June 2020

Annexure B to the Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Geojit Financial Services Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

Annexure B to the Independent Auditors' Report *(Continued)*

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Document Identification

Number: 20222515AAAAAS2399

Bengaluru

12 June 2020

Balance Sheet

as at 31 March 2020

(All amounts in Indian Rupees lakhs)

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
ASSETS				
Financial assets				
a) Cash and cash equivalents	3	13,383.48	10,990.84	9,684.82
b) Bank balance other than (a) above	4	23,790.61	9,790.39	9,258.58
c) Trade receivables	5	7,238.11	12,770.31	12,276.77
d) Loans	6	1,562.91	5,519.46	1,499.77
e) Investments	7	6,199.15	4,499.02	11,484.32
f) Other financial assets	8	7,764.06	17,923.51	15,087.09
		59,938.32	61,493.53	59,291.35
Non-financial assets				
a) Current tax assets (net)	33	1,355.01	913.80	772.40
b) Deferred tax assets (net)	33	552.79	547.55	495.81
c) Investment property	9	100.03	108.19	185.37
d) Property, plant and equipment	10	4,898.03	5,219.84	4,684.70
e) Right-of-use assets	36	2,066.63	1,995.78	1,216.11
f) Other intangible assets	11	994.29	1,308.01	660.33
g) Other non-financial assets	12	1,221.70	652.86	569.98
		11,188.48	10,746.03	8,584.70
Total assets		71,126.80	72,239.56	67,876.05
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
a) Trade payables	13			
i. Total outstanding dues of micro and small enterprises		8.59	27.42	-
ii. Total outstanding dues of creditors other than micro and small enterprises		1,024.17	782.54	997.12
b) Lease liabilities	36	2,257.94	2,096.21	1,216.11
c) Other financial liabilities	14	28,761.33	27,153.33	20,706.16
		32,052.03	30,059.50	22,919.39
Non-financial liabilities				
a) Provisions	15	265.08	148.84	335.33
b) Other non-financial liabilities	16	1,410.50	1,270.60	1,111.63
		1,675.58	1,419.44	1,446.96
EQUITY				
a) Equity share capital	17	2,383.00	2,382.95	2,378.70
b) Other equity	18	35,016.19	38,377.67	41,131.00
		37,399.19	40,760.62	43,509.70
Total liabilities and equity		71,126.80	72,239.56	67,876.05

Significant accounting policies

2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Statement of profit and loss

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
1 Revenue from operations			
Interest income	19	3,210.77	3,062.98
Dividend income		287.00	277.23
Rental income		39.12	39.87
Fee and commission income	20	24,605.38	24,472.22
Net gain on fair value changes	21	176.25	389.19
Others	22	226.91	183.19
Total revenue from operations		28,545.43	28,424.68
2 Other income	23	142.19	117.30
3 Total income (1+2)		28,687.62	28,541.98
4 Expenses			
Finance costs	24	293.64	234.36
Fee and commission expense	25	4,612.99	4,974.66
Impairment of financial instruments	26	57.77	159.19
Employee benefit expenses	27	10,131.05	10,542.46
Depreciation, amortisation and impairment	28	2,367.48	1,955.37
Other expenses	29	4,994.53	5,634.59
Total expenses		22,457.46	23,500.63
5 Profit before exceptional items and tax (3-4)		6,230.16	5,041.35
6 Exceptional items	30	(1,019.90)	(750.00)
7 Profit before tax (5+6)		5,210.26	4,291.35
8 Tax expense			
Current tax		1,717.20	1,938.20
Current tax relating to previous years		(278.92)	(42.21)
Deferred tax		(2.20)	(59.32)
Total tax expenses		1,436.08	1,836.67
9 Profit for the year (7-8)		3,774.18	2,454.68
10 Other comprehensive income			
a) (i) items that will not be reclassified to profit or loss		(12.07)	22.81
(ii) income tax relating to items that will not be reclassified to profit or loss		3.05	(7.58)
b) (i) items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income		(9.02)	15.23
11 Total comprehensive income (9+10)		3,765.16	2,469.91
12 Earnings per equity share (face value ₹ 1/- per equity share)	32		
Basic (Rupees)		1.58	1.03
Diluted (Rupees)		1.58	1.02

Significant accounting policies

2

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Statement of cash flows

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	5,210.26	4,291.35
Adjustments for		
Depreciation, amortisation and impairment	2,367.48	1,955.37
Share based payments to employees	53.66	387.93
Finance costs	293.64	234.36
Interest income from loan to subsidiary company	(31.81)	(30.53)
Dividend income	(287.00)	(277.23)
Net gain on fair value changes	(176.25)	(389.19)
Profit on sale of property, plant and equipment	(7.44)	(12.05)
Impairment loss on financial assets	57.77	159.19
Unclaimed liabilities written back	(19.81)	(5.82)
Impairment on investment in joint venture	1,019.90	750.00
	8,480.40	7,063.38
Change in operating assets and liabilities		
(Increase)/ decrease in loans	3,847.59	(4,169.69)
(Increase)/ decrease in other financial assets	10,159.45	(2,837.73)
(Increase)/ decrease in other non-financial assets	(446.93)	(64.82)
(Increase)/ decrease in trade receivables	5,486.39	(568.88)
Increase/ (decrease) in provisions and other liabilities	1,966.55	6,285.67
Increase/ (decrease) in trade payables	222.79	(187.16)
(Increase)/ decrease in other bank balances	(14,000.22)	(531.80)
Cash generated from operations	15,716.02	4,988.97
Less : Income taxes paid (net of refunds)	(1,879.48)	(2,037.40)
Net cash from operating activities (A)	13,836.54	2,951.57
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,170.06)	(2,444.78)
Proceeds from sale of property, plant and equipment	28.18	25.63
Investment in subsidiary	(200.00)	(5.00)
(Purchase)/ disposal proceeds of investments	(2,343.79)	6,629.50
Loan given to subsidiary	(510.00)	-
Loan repaid by subsidiary	607.00	150.00
Dividend received	287.00	277.23
Interest received	31.81	30.53
Net cash from / (used in) investing activities (B)	(3,269.86)	4,663.11

Statement of cash flows

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from financing activities		
Proceeds from issue of equity share capital	1.81	133.67
Dividends paid	(5,943.27)	(4,746.17)
Tax on dividends paid	(1,224.58)	(978.80)
Interest paid on lease liabilities	(230.87)	(165.16)
Repayment of lease liabilities	(714.35)	(483.00)
Finance costs	(62.78)	(69.20)
Net cash used in financing activities (C)	(8,174.04)	(6,308.66)
Net increase in cash and cash equivalents (A+B+C)	2,392.64	1,306.02
Cash and cash equivalents at the beginning of the year	10,990.84	9,684.82
Cash and cash equivalents at end of the year	13,383.48	10,990.84
Components of cash and cash equivalents		
Cash on hand	6.58	9.87
Balances with banks in current accounts	13,376.90	10,980.97
Total cash and cash equivalents (Refer note 3)	13,383.48	10,990.84
Significant accounting policies (Refer note 2)		

The notes referred to above form an integral part of the standalone financial statements

Note:

1. The above cash flow statement has been prepared under the 'Indirect method' prescribed in Ind AS 7 "Cash Flow Statements".

As per our report of even date attached.
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Rohit Alexander
Partner
Membership No. 222515
Place : Bengaluru
Date : 12 June 2020

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
CIN : L67120KL1994PLC008403

R. Bupathy
Chairman
DIN : 00022911
Place : Chennai
Date : 12 June 2020

Sanjeev Kumar Rajan
Chief Financial Officer
Place : Kochi
Date : 12 June 2020

C. J. George
Managing Director
DIN : 00003132
Place : Kochi
Date : 12 June 2020

Liju K. Johnson
Company Secretary
Membership No. A21438
Place : Kochi
Date : 12 June 2020

Statement of changes in equity

for the year ended 31 March 2020

A. EQUITY SHARE CAPITAL

(All amounts in Indian Rupees lakhs)

	Note	Amount
Issued, subscribed and fully paid up:		
Balance as at 1 April 2018		2,378.70
Changes in equity share capital during the year - fresh allotment of shares	17	4.25
Balance at the end of 31 March 2019		2,382.95
Changes in equity share capital during the year - fresh allotment of shares	17	0.05
Balance at the end of 31 March 2020		2,383.00

B. OTHER EQUITY (REFER NOTE 18)

(All amounts in Indian Rupees lakhs)

	Share application money pending allotment	Securities premium	Reserves and surplus	Share options outstanding account	General reserve	Retained earnings	Capital reserve	Other comprehensive income (OCI)	Total
Balance as at 1 April 2018	2.20	20,982.66	136.95	3,802.96	15,872.78	333.45	-	-	41,131.00
Profit/ (loss) for the year	-	-	-	-	2,454.68	-	-	-	2,454.68
Other comprehensive income / (loss)	-	-	-	-	-	-	15.23	-	15.23
Total comprehensive income for the year	-	-	-	-	2,454.68	-	15.23	-	2,469.91
Dividend paid on equity shares (including tax thereon)	-	-	-	-	(5,740.59)	-	-	-	(5,740.59)
Securities premium on exercise of ESOP	-	133.75	-	-	-	-	-	-	133.75
Share based payments expense	-	-	-	387.93	-	-	-	-	387.93
Share application money received during the year	133.67	-	-	-	-	-	-	-	133.67
Share application money pending allotment transferred	(135.87)	-	-	(2.13)	-	-	-	-	(138.00)
Transfer to retained earnings	-	-	-	-	15.23	-	-	(15.23)	-
Balance as at 31 March 2019	-	21,116.41	522.75	3,802.96	12,602.10	333.45	-	-	38,377.67
Profit/ (loss) for the year	-	-	-	-	3,774.18	-	-	-	3,774.18
Other comprehensive income / (loss)	-	-	-	-	-	-	(9.02)	-	(9.02)
Total comprehensive income for the year	-	-	-	-	3,774.18	-	(9.02)	-	3,765.16

Statement of changes in equity *(Continued)*

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Share application money pending allotment	Securities premium	Share options outstanding account	General reserve	Retained earnings	Capital reserve	Other comprehensive income (OCI)	Total
Dividend paid on equity shares (including tax thereon)	-	-	-	-	(7,182.06)	-	-	(7,182.06)
Securities premium on exercise of ESOP	-	1.76	-	-	-	-	-	1.76
Share based payments expense	-	-	53.66	-	-	-	-	53.66
Transfer from share options outstanding account to retained earnings (towards options lapsed after vesting)	-	-	(19.60)	-	19.60	-	-	-
Share application money received during the year	1.81	-	-	-	-	-	-	1.81
Share application money pending allotment transferred	(1.81)	-	-	-	-	-	-	(1.81)
Transfer to retained earnings	-	-	-	-	(9.02)	-	9.02	-
Balance as at 31 March 2020	-	21,118.17	556.81	3,802.96	9,204.80	333.45	-	35,016.19

Significant accounting policies (Refer note 2)

The notes referred to above form an integral part of the standalone financial statements

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Notes

forming part of the standalone financial statements

1 CORPORATE INFORMATION

Geojit Financial Services Limited ('the Company') had its origin in the year 1987 as a partnership firm of Mr. C. J. George and his associates. In the year 1994, the firm was converted into a Company with the objective of providing a technically superior trading platform for the investor community in Kerala. Over the years, the Company has spread its operations across the country through branch and franchisee network. In 2007, BNP Paribas SA became a major shareholder in the Company. The Company offers complete spectrum of financial services including online broking for equities, commodities, derivatives and currency futures, custody accounts, financial products distribution, portfolio management services, margin funding, etc. It has operations outside the country through subsidiaries, an associate and joint ventures in Oman, Kuwait, UAE and Saudi Arabia. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, with effect from 1 April 2019, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of the financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2019 and 1 April 2018 being the transition date and of the total comprehensive income for the year ended 31 March 2019.

These financial statements have been prepared in accordance with Ind AS 1 - Presentation of financial statements as notified under the Companies (Indian Accounting Standards)

Rules, 2015 read with Section 133 of the Companies Act, 2013.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements are the Company's first Ind AS standalone financial statements. The Company's financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest lakh, except when otherwise indicated.

The standalone financial statements for the year ended 31 March 2020 are being authorised for issue in accordance with a resolution of the directors on 12 June 2020.

(ii) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

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Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are included in the notes:

- Note 7 - Valuation of investments
- Note 36 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the following notes:

- Note 10 and 11 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 31 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 33 - Recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;
- Note 34 - Employee share based payment expenses;
- Note 35 - Measurement of defined benefit obligations: key actuarial assumptions;

(iii) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit liability	Fair value of plan asset less present value of defined benefit obligations

(iv) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Share-based payment arrangements
- Financial instruments
- Fair value of property, plant and equipment and intangible assets

(v) First time adoption of Ind AS - mandatory exceptions and optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2018 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as mentioned below:

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Mandatory exceptions

Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the standalone financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried at amortised cost
- Impairment of financial assets based on the expected credit loss model
- Fair valuation of financial instruments carried at FVTPL

Classification, measurement and impairment of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

Optional exceptions

Share based payments

The Company has availed the exemption of not applying Ind AS 102 Share-based payment to options already vested as on the transition date.

Property, plant and equipment, intangible assets and investment property

The Company has elected to measure property, plant and equipment and intangible assets at its Previous GAAP carrying amount. Ind AS 40 Investment property allows for valuation of investment property at cost only. Accordingly the Company has used Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS for Property, plant and equipment, intangible assets and investment property.

Investment in subsidiaries and associates

The Company has elected to carry its investment in subsidiaries and associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

Fair Value measurement of Financial assets and liabilities

The Company has applied the requirement of INDAS 109 prospectively to transactions entered into on or after the date of transition.

Leases

The Company has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on date of transition to Ind AS. For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

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(vi) Revenue recognition

The Company is engaged in the business of retail and institutional broking and distribution of financial products. In accordance with Ind AS 115, Revenue from Contracts with Customers, the revenue is accounted in the following manner for each head:

a) Brokerage fee income

Brokerage income is recognised on the trade date of transaction upon confirmation of the transaction by the stock exchange. The services are point in time in nature.

b) Income from depository services and portfolio management services

Income from depository services, penal charges and portfolio management services are recognised on the basis of agreements entered into with clients and when the right to receive the income is established. It is recognised at the point in time for transaction charges and others are recognised over the period of service as applicable.

c) Income from distribution of financial products

Commission income from financial products distribution is recognised on the basis of agreements entered into with principals and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied. In case of continuing services, the same is recognised over a period of time.

d) Interest income and dividend income and others

Interest income is recognised using the effective interest rate method. Interest income from margin funding business is recognised on loans given to clients on time proportion basis. Dividend income

is recognised in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. Shared services cost is recognised based on agreements entered into with the parties.

(vii) Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of property, plant and equipment and intangible assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Advances paid towards the acquisition of property, plant and equipment and intangible assets, outstanding at each balance sheet date are shown under advances for capital goods. The cost of the property, plant and equipment not ready for their intended use before such date are disclosed under capital work-in-progress.

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Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on property, plant and equipment has been provided under the straight-line method as per the useful life as estimated by management.

Management estimates the useful life for the tangible assets as under:

Class of assets	Useful life
Buildings *	40 years
Furniture and fixtures	10 years
Furniture and fixtures in leasehold premises *	5 years
Computers and accessories	3 years
Computers and accessories - Data centre equipments *	5 years
Office equipments	5 years
Electrical equipments *	5 years
Vehicles *	5 years
Plant and machinery	15 years

* For these class of assets, the Company has assessed the useful life based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Improvements to leasehold premises are amortised over the lease term or useful lives of the assets, whichever is lower. If the premises are vacated before the expiry of above term, the un-amortised costs are fully written off in the year of vacation.

Intangible assets are amortised under straight-line method over the estimated useful life of 5 years or 3 years or license period whichever is lower. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

(viii) Investment property

Investment property are property held to earn rentals and for capital appreciation. Investment property are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. An investment property is derecognised upon disposal or when the investment property are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which property is derecognised.

For transition to Ind AS, the Company has elected to continue with carrying value of its investment property recognised as of 1 April 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(ix) Investment in subsidiaries and associates

Investments in subsidiaries and associate are measured at cost less accumulated impairment, if any.

(x) Financial instruments

The Company recognises all the financial assets and liabilities at its fair value on initial recognition; In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the

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acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

- a) Amortised cost:** The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.
- b) Fair value through other comprehensive income (FVOCI):** The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
- c) Fair value through profit or loss (FVTPL):** The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortised cost or FVOCI. Further, in certain cases to eliminate or significantly reduce a measurement or recognition inconsistency (accounting mismatch), the Company irrevocably designates certain financial instruments at FVTPL at initial recognition. In case of financial assets measured at FVTPL,

changes in fair value are recognised in profit or loss.

Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

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Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

Based on the Company's business model for managing the investments, the Company has classified its investments at FVTPL. Investment in subsidiaries is carried at deemed cost (previous GAAP carrying amount) as per Ind AS 27.

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

- d) Impairment of financial assets:** In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets including loan and trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations.

(xi) Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Provident fund

The Company's contribution to provident fund scheme is considered as defined contribution plan, and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

c) Gratuity

The Company pays gratuity, a defined benefit plan, to its employees who retire or resign after a minimum period of five years of continuous service.

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employee has earned in exchange of their service in the current and prior periods and discounted back to the current valuation date to arrive at the present value of the defined benefit obligation. The defined benefit obligation is deducted from the fair value of plan assets, to arrive at the net asset / (liability), which need to be provided for in the books of accounts of the Company.

As required by the Ind AS 19, the discount rate used to arrive at the present value of the defined benefit obligations is based on the Indian Government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a net asset position, the recognised asset is limited to the present value of economic benefits available in form of reductions in future contributions.

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Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations, the return on plan assets in excess of what has been estimated and the effect of asset ceiling, if any, in case of over funded plans. The Company recognises these items of remeasurements in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in the statement of profit and loss .

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognised immediately in the statement of profit or loss when the plan amendment or when a curtailment or settlement occurs.

d) **Compensated absences**

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase the entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial losses/gains are recognised in the statement of profit and loss as and when they are incurred.

e) **Employee stock option scheme**

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straightline basis over the vesting period, based on the Company's estimate of equity

instruments that will eventually vest, with a corresponding increase in equity.

(xii) **Borrowing costs**

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(xiii) **Foreign currency transactions and translations**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(xiv) **Leases**

The Company has adopted Ind AS 116 "Leases" as notified by MCA. The entity has elected the "modified retrospective" approach from 1 April 2018, the transition date, for adopting Ind AS

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116 in accordance with INDAS 101 First-time Adoption of Indian Accounting Standards.

a) **Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

b) **Measurement of leases as a lessee**

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter

of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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The Company has elected not to apply the requirements of Ind AS 116, Leases, to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(xv) Income tax

The income tax expense comprises current and deferred tax incurred by the Company. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity or OCI, in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises. Current tax is the expected tax payable/receivable on the taxable income or loss for the period, using tax rates enacted for the reporting period and any adjustment to tax payable/receivable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The tax effects of income tax losses, available for carry forward, are recognised as

deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

Additional taxes that arise from the distribution of dividends by the Company are recognised directly in equity at the same time as the liability to pay the related dividend is recognised.

(xvi) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short term investments with an original maturity of three months or less, and accrued interest thereon.

(xvii) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

(xviii) Impairment of non financial assets

The Company assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments

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of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

(xix) Provisions

Provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

(xx) Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of

resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent assets are neither recognised nor disclosed.

(xxi) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxii) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

3 CASH AND CASH EQUIVALENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Cash-on-hand	6.58	9.87	10.21
Balances with banks			
(i) In current account			
Clients	12,678.89	10,623.94	9,304.77
Others	698.01	357.03	369.84
	13,383.48	10,990.84	9,684.82

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4 OTHER BANK BALANCES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Deposits account	550.00	968.84	606.33
Earmarked accounts			
Deposits account	23,133.13	8,728.28	8,574.60
Unpaid dividend account	107.48	93.27	77.65
	23,790.61	9,790.39	9,258.58
Balance with banks in earmarked deposit accounts include fixed deposits which have an original maturity of more than 12 months.	5,152.29	4,997.71	3,315.20
Balance with banks in earmarked deposit accounts include fixed deposits which are:			
Maintained as security margin for guarantees issued by banks in favour of stock exchanges / clearing corporation	5,079.42	4,752.53	4,657.71
Pledged with banks for availing overdraft facility. The balance outstanding in the overdraft facility as at the balance sheet date is ₹ Nil (31 March 2019: ₹ Nil; 1 April 2018: ₹ Nil)	4,272.92	3,539.25	3,539.25
Given to stock exchanges / clearing corporation as security margin	13,618.75	258.75	252.66
Pledged with banks for availing other bank guarantees facility	38.82	37.16	36.38
Deposited in banks against unsettled client balances	123.22	140.59	88.60

5 TRADE RECEIVABLES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Receivable considered good - secured	4,461.36	4,693.23	2,268.58
Receivable considered good - unsecured	2,776.75	8,077.08	10,008.19
Receivable - credit impaired	1,112.87	1,052.44	982.36
	8,350.98	13,822.75	13,259.13
Less : Impairment loss allowance	(1,112.87)	(1,052.44)	(982.36)
	7,238.11	12,770.31	12,276.77

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6 LOANS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
At amortised cost			
<i>Secured, considered good</i>			
Loans and advances to clients (margin funding loans)	1,344.79	5,209.93	1,064.07
<i>Unsecured, considered good</i>			
Loans and advances to related parties	218.12	309.53	435.70
Credit impaired	11.97	-	-
	1,574.88	5,519.46	1,499.77
Less : Impairment loss allowance	(11.97)	-	-
Total loans	1,562.91	5,519.46	1,499.77

7 INVESTMENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Investment in equity instruments (unquoted)			
Wholly owned subsidiaries			
Geojit Investment Services Limited *	429.71	429.71	160.00
6,700,000 (31 March 2019: 6,700,000; 1 April 2018: 4,000,000) equity shares of ₹ 10/- each, fully paid-up			
Less: Impairment in investments	(269.71)	(269.71)	-
Net	160.00	160.00	160.00
Geojit Financial Management Services Private Limited *	-	-	2,769.71
Nil (31 March 2019: Nil; 1 April 2018: 27,700,000) equity shares of ₹ 10/- each, fully paid-up			
Less: Impairment in investments	-	-	(2,769.71)
Net	-	-	-
Geojit Techloan Private Limited	205.00	5.00	-
2,050,000 (31 March 2019: 50,000; 1 April 2018: Nil) equity shares of ₹ 10/- each, fully paid-up			
Other subsidiaries			
Geojit Credits Private Limited	8,423.69	8,423.69	8,423.69
417,197,420 (31 March 2019: 417,197,420; 1 April 2018: 417,197,420) equity shares of ₹ 2/- each, fully paid-up			
Less: Impairment in investments	(8,423.69)	(8,423.69)	(8,423.69)
Net	-	-	-
Qurum Business Group Geojit Securities LLC, Oman	188.30	188.30	188.30
127,500 (31 March 2019: 127,500; 1 April 2018: 127,500) equity shares of Omani Riyal 1/- each, fully paid-up			
Geojit Technologies Private Limited	163.45	163.45	163.45
750,000 (31 March 2019: 750,000; 1 April 2018: 750,000) equity shares of ₹ 10/- each, fully paid-up			
Joint ventures			

Notes

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7 INVESTMENTS (CONTD..)

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Barjeel Geojit Securities LLC, United Arab Emirates 1,500 (31 March 2019: 1,500; 1 April 2018: 1,500) equity shares of Arab Emirates Dirham 1,000/- each, fully paid-up	191.39	191.39	191.39
Aloula Geojit Capital Company, Saudi Arabia 1,400,000 (31 March 2019: 1,400,000; 1 April 2018: 1,456,000) equity shares of Saudi Riyals (SR) 10/- each, fully paid-up	3,019.90	3,019.90	3,019.90
Less: Impairment in investments	(3,019.90)	(2,000.00)	(1,250.00)
Net	-	1,019.90	1,769.90
Associate			
BBK Geojit Financial Brokerage Company K.S.C. 1,500,000 (31 March 2019: 1,500,000; 1 April 2018: 1,500,000) equity shares of Kuwaiti Dinar 0.10/- each, fully paid-up	265.50	265.50	265.50
	1,173.64	1,993.54	2,738.54
* Refer Note 41			
Others			
Fair valued through profit or loss (FVTPL)			
Investment in equity instruments (unquoted)			
Muvattupuzha Co-operative Super Speciality Hospital Limited 400 (31 March 2019: 400; 1 April 2018: 400) 'C' class shares of ₹ 500/- each, fully paid-up	2.00	2.00	2.00
Cochin Stock Exchange Limited 100 (31 March 2019: 100; 1 April 2018: 100) equity shares of ₹ 10/- each, fully paid-up	0.01	0.01	0.01
Kerala Infrastructure Fund Management Limited 233,051 (31 March 2019: Nil; 1 April 2018: Nil) equity shares of ₹ 10/- each, fully paid-up	23.31	-	-
Investments in government securities - quoted:			
10.71% Govt of India Securities - 2016	-	-	0.03
Investments in mutual funds			
Birla Sun Life Floating Rate Fund - Short Term Plan - Direct Plan [Current year: Nil; 31 March 2019: Nil; 1 April 2018: 1,480,637 units]	-	-	3,434.86
Invesco India Liquid Fund - Direct- Growth [Current year: Nil; 31 March 2019: Nil; 1 April 2018: 159,085 units]	-	-	3,805.43
Kotak Floater Short Term Fund [Current year: Nil; 31 March 2019: Nil; 1 April 2018: 52,716 units]	-	-	1,503.45
Axis Liquid Fund - Direct- Growth [Current year: Nil; 31 March 2019: 96,591 units; 1 April 2018: Nil]	-	2,002.84	-

Notes

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7 INVESTMENTS (CONTD..)

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
ICICI Prudential Liquid Fund - Growth plan [Current year: Nil; 31 March 2019: 181,114 units; 1 April 2018: Nil]	-	500.63	-
Nippon India Overnight Fund - Direct - Growth [Current year: 4,664,936 units; 31 March 2019: Nil; 1 April 2018: Nil]	5,000.19	-	-
	5,025.51	2,505.48	8,745.78
	6,199.15	4,499.02	11,484.32
Aggregate book value of unquoted investments	1,198.96	1,995.55	2,740.55
Aggregate book value of quoted investments	5,000.19	2,503.47	8,743.77
Investment outside India	645.19	1,665.09	2,415.09
Investment in India	5,553.96	2,833.93	9,069.23

8 OTHER FINANCIAL ASSETS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<i>Unsecured, considered good</i>			
Deposits and margins given to stock exchanges / depositories / clearing corporation	6,252.03	9,425.83	12,027.03
Security deposits	702.97	707.89	694.90
Interest accrued on fixed deposits	591.01	360.94	277.87
Interest accrued on other deposits	-	-	182.96
Receivable from stock exchanges	197.46	7,402.21	1,873.66
Advances to employees	20.58	26.64	30.67
<i>Unsecured, considered doubtful</i>			
Advances to employees	29.60	3.87	-
Rent and other deposits	20.21	41.88	40.58
	7,813.86	17,969.26	15,127.67
Less: Impairment loss allowance	(49.80)	(45.75)	(40.58)
	7,764.06	17,923.51	15,087.09

9 INVESTMENT PROPERTY

A Reconciliation of carrying amount

(All amounts in Indian Rupees lakhs)

	Amount
Cost (gross carrying amount)	
Balance as at 1 April 2018 (Deemed cost)	185.37
Transfer to property, plant and equipment	(80.11)
Transfer from property, plant and equipment	6.05
Balance as at 31 March 2019	111.31
Balance as at 1 April 2019	111.31
Transfer to property, plant and equipment	(9.22)
Transfer from property, plant and equipment	3.84
Balance as at 31 March 2020	105.93

Notes

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9 INVESTMENT PROPERTY (CONTD..)

(All amounts in Indian Rupees lakhs)

	Amount
Accumulated depreciation	
Balance as at 1 April 2018	-
Depreciation for the year ended 31 March 2019	3.32
Depreciation on disposals	(0.20)
Balance as at 31 March 2019	3.12
Balance as at 1 April 2019	3.12
Depreciation for the year ended 31 March 2020	3.10
Depreciation on disposals	(0.32)
Balance as at 31 March 2020	5.90
Net carrying amounts	
As at 1 April 2018	185.37
As at 31 March 2019	108.19
As at 31 March 2020	100.03
Fair value	
As at 1 April 2018	391.62
As at 31 March 2019	235.16
As at 31 March 2020	223.11

B Information regarding income and expenditure of investment property

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Income		
Rental income	45.36	47.06
Expense		
Property tax	1.00	1.09
Depreciation	3.10	3.32
Total expense	4.10	4.41
Loss arising from investment property before indirect expenses	41.26	42.65

C Investment property comprises of the following:

The Company's corporate building located at 34/659-P, Civil Line Road, Padivattom, Kochi - 682024, is partly used for own purpose and partly let out to subsidiary companies for earning rentals.

D Measurement of fair value

(i) Fair valuation hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement of the investment property has been categorised as Level 3 fair value based on inputs to the fair value technique used.

(ii) Valuation techniques used and key inputs to valuation on investment property

For the purpose of valuation, the primary valuation methodology used is the replacement cost model adjusted for depreciation.

Notes

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10 PROPERTY, PLANT AND EQUIPMENT

(All amounts in Indian Rupees lakhs)

	Land- Freehold	Buildings	Plant and machinery	Electrical installation	Office equipments	Furniture & fixtures	Vehicles	Computers	Leasehold improvements	Total
Deemed cost as at 1 April 2018	684.25	1,249.08	619.41	6.91	307.42	436.93	218.83	950.80	211.07	4,684.70
Additions	-	-	-	10.73	279.68	168.07	18.53	563.62	438.65	1,479.28
Disposals/ reclassifications	-	74.06	-	(0.06)	(3.18)	(3.90)	(11.66)	(0.36)	(1.83)	53.07
Cost as at 31 March 2019	684.25	1,323.14	619.41	17.58	583.92	601.10	225.70	1,514.06	647.89	6,217.05
Additions	-	50.21	-	6.86	90.76	115.01	47.71	236.22	272.29	819.06
Disposals/ reclassifications	-	9.22	-	(0.07)	(8.32)	(10.17)	(16.53)	(7.48)	(5.38)	(38.73)
Cost as at 31 March 2020	684.25	1,382.57	619.41	24.37	666.36	705.94	256.88	1,742.80	914.80	6,997.38
Accumulated depreciation										
Charge for the year	-	38.11	63.43	3.08	145.82	121.64	63.88	460.04	108.42	1,004.42
Disposals	-	0.20	-	(0.01)	(1.34)	(0.80)	(4.54)	(0.16)	(0.56)	(7.21)
As at 31 March 2019	-	38.31	63.43	3.07	144.48	120.84	59.34	459.88	107.86	997.21
Charge for the year	-	39.12	63.41	5.01	153.46	147.61	59.32	459.55	201.53	1,129.01
Disposals	-	0.32	-	(0.03)	(5.99)	(5.27)	(8.29)	(4.64)	(2.97)	(26.87)
As at 31 March 2020	-	77.75	126.84	8.05	291.95	263.18	110.37	914.79	306.42	2,099.35
Net block										
As at 1 April 2018	684.25	1,249.08	619.41	6.91	307.42	436.93	218.83	950.80	211.07	4,684.70
As at 31 March 2019	684.25	1,284.83	555.98	14.51	439.44	480.26	166.36	1,054.18	540.03	5,219.84
As at 31 March 2020	684.25	1,304.82	492.57	16.32	374.41	442.76	146.51	828.01	608.38	4,898.03

Notes

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11 OTHER INTANGIBLE ASSETS

(All amounts in Indian Rupees lakhs)

	Computer software	Client acquisition	Total
Deemed cost as at 1 April 2018	660.33	-	660.33
Additions	295.53	716.34	1,011.87
Disposals/ reclassifications	-	-	-
Cost as at 31 March 2019	955.86	716.34	1,672.20
Additions	116.39	-	116.39
Disposals/ reclassifications	0.02	-	0.02
Cost as at 31 March 2020	1,072.27	716.34	1,788.61
Accumulated amortisation			
Charge for the year	255.86	108.33	364.19
Disposals	-	-	-
As at 31 March 2019	255.86	108.33	364.19
Charge for the year	286.86	143.27	430.13
Disposals	-	-	-
As at 31 March 2020	542.72	251.60	794.32
Net block			
As at 1 April 2018	660.33	-	660.33
As at 31 March 2019	700.00	608.01	1,308.01
As at 31 March 2020	529.55	464.74	994.29

12 OTHER NON-FINANCIAL ASSETS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<i>Secured, considered good</i>			
Capital advance	341.39	219.48	118.87
Prepaid expenses	565.04	378.27	327.67
Other advances	60.49	42.29	78.72
Balances with government authorities	254.78	12.82	44.72
<i>Unsecured, considered doubtful</i>			
Other advances	93.79	93.79	15.11
	1,315.49	746.65	585.09
Less: Impairment loss allowance	(93.79)	(93.79)	(15.11)
	1,221.70	652.86	569.98

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13 TRADE PAYABLES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a. Total outstanding dues of micro and small enterprises	8.59	27.42	-
b. Total outstanding dues of creditors other than micro and small enterprises	1,024.17	782.54	997.12
	1,032.76	809.96	997.12
Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006			
(i) Principal amount remaining unpaid to any supplier as at the end of the year.	8.59	27.42	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-	-
(iii) The amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year.	-	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

14 OTHER FINANCIAL LIABILITIES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unclaimed dividends	107.48	93.27	77.65
Security deposits from business associates	90.56	90.60	114.38
Rent deposits	14.00	14.22	27.00
Payables to stock exchanges	1,657.64	594.77	1,093.37
Client balances	26,346.31	25,873.52	18,892.69
Other accrued liabilities	545.34	486.95	501.07
	28,761.33	27,153.33	20,706.16

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15 PROVISIONS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Provision for employee benefits			
Gratuity	119.58	35.63	230.93
Compensated absences	145.50	113.21	104.40
	265.08	148.84	335.33

16 OTHER NON-FINANCIAL LIABILITIES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Other payables			
Statutory dues payable	603.26	526.41	423.55
Accrued salaries and benefits	769.15	577.45	662.50
Others	38.09	166.74	25.58
	1,410.50	1,270.60	1,111.63

17 EQUITY SHARE CAPITAL

(All amounts in Indian Rupees lakhs)

Equity share capital	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised:						
Equity shares of ₹ 1 each	300,000,000	3,000.00	300,000,000	3,000.00	300,000,000	3,000.00
	300,000,000	3,000.00	300,000,000	3,000.00	300,000,000	3,000.00
Issued, subscribed and fully paid-up:						
Equity shares of ₹ 1 each	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70
	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70

(a) Reconciliation of number of equity shares subscribed

(All amounts in Indian Rupees lakhs)

Equity share capital	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	238,295,401	2,382.95	237,869,523	2,378.70	237,869,523	2,378.70
Add: Issued during the year	4,359	0.05	425,878	4.25	-	-
Balance at the end of the year	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70

Notes

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17 EQUITY SHARE CAPITAL (CONTD..)

(b) Shareholders holding more than 5% of the total share capital

(All amounts in Indian Rupees lakhs)

Class of shares / name of the shareholder	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 1 each						
BNP Paribas SA	76,688,959	32.18	76,688,959	32.18	76,688,959	32.24
C. J. George	43,313,236	18.18	43,313,236	18.18	43,279,636	18.19
Kerala State Industrial Development Corporation	20,000,000	8.39	20,000,000	8.39	20,000,000	8.41
Rakesh Jhunjunwala	18,037,500	7.57	18,037,500	7.57	18,037,500	7.58

(c) Rights, preferences and restrictions in respect of equity shares issued by the Company

The company has only one class of equity shares having a par value of ₹ 1 each. The equity shares of the company having par value of ₹ 1 /- rank pari-passu in all respects including voting rights and entitlement to dividend. The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (d) As at 31 March 2020, 10,547,274 equity shares (31 March 2019: 11,684,603 equity shares; 1 April 2018: 10,009,083 equity shares) of Rs. 1/- each are reserved towards outstanding employee stock options granted. (Refer note 34)

(e) Capital management:

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt. The Company is not subject to any externally imposed capital requirements. The company does not have any borrowings outstanding as at the respective year end.

18 OTHER EQUITY

Description of the nature and purpose of other equity :

Share application money pending allotment

The share application money was received pursuant to the exercise of options granted to employees under the employee stock option plans. The Company has sufficient authorised share capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Company.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

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18 OTHER EQUITY (CONTD..)

General reserve

General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year, then the total dividend distribution is less than the total distributable profits for that year. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer specified percentage of net profits to General reserve has been withdrawn. However, the amount previously transferred to the General reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Share options outstanding account

The employee stock options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

Other comprehensive income

Other comprehensive income (OCI) comprises of actuarial gains and losses that are recognised in other comprehensive income.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserves.

Details of dividends proposed

(All amounts in Indian Rupees lakhs)

	31 March 2020	31 March 2019
Face value per share (Rupees)	1.00	1.00
Dividend percentage	0%	100%
Dividend per share (Rupees)	-	1.00
Dividend on equity shares	-	2,382.99
Estimated dividend distribution tax	-	489.83
Total dividend including estimated dividend distribution tax	-	2,872.82

The dividends proposed for the financial year ended 31 March 2019 have been paid to shareholders in the subsequent financial year and accounted on payment basis on approval of the members of the Company at the relevant Annual General Meeting. The Board of Directors has declared an interim dividend of ₹ 1.50/- per equity share for the year ended 31 March 2020 (31 March 2019: Nil) on 11 March 2020.

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19 INTEREST INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
On financial instruments measured at amortised cost		
Interest income from margin funding	893.29	766.09
Interest on delayed payments by clients	1,114.12	1,204.47
Interest on term deposits with banks	1,129.00	700.97
Interest income from subsidiary company on loans given	31.81	30.53
Other interest income	42.55	360.92
	3,210.77	3,062.98
Dividend income		
Joint ventures	287.00	277.23
Rental income		
Rental income	39.12	39.87

20 FEE AND COMMISSION INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Income from brokerage	17,698.36	18,604.72
Income from depository services	1,695.49	1,611.70
Income from distribution of financial products	4,874.27	3,964.13
Income from portfolio management services	337.26	291.67
	24,605.38	24,472.22

21 NET GAIN ON FAIR VALUE CHANGES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Total net gain / (loss) on financial instruments at FVTPL		
Net gain on fair value changes	(3.27)	(11.25)
Net gain on sale of investments	179.52	400.44
Total net gain on financial instruments at FVTPL	176.25	389.19
Fair value changes		
- Realised	176.05	385.72
- Unrealised	0.20	3.47
	176.25	389.19

22 OTHER OPERATING INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Account opening charges	9.48	22.22
Miscellaneous income	217.43	160.97
	226.91	183.19

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23 OTHER INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income on income tax refund	32.15	-
Cost recovery for shared services	65.91	70.69
Net gain on derecognition of property, plant and equipment	7.44	12.05
Reversal of impairment loss	3.46	1.33
Unclaimed liabilities written back	19.81	5.82
Miscellaneous income	13.42	27.41
	142.19	117.30

24 FINANCE COSTS

On financial liabilities measured at amortised cost

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on		-
Loan from subsidiary companies	15.44	0.59
Temporary overdrafts availed from banks	5.15	27.95
Lease liabilities	230.87	165.16
Other borrowing costs	42.18	40.66
	293.64	234.36

Note:

Other than financial liabilities measured at amortised cost, there are no other financial liabilities measured at FVTPL.

25 FEE AND COMMISSION EXPENSE

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Commission to business associates (equity)	2,539.57	2,819.91
Marketing fees	675.76	665.39
Marketing incentive	171.39	180.64
Commission to business associates (distribution)	451.42	473.58
Connectivity and depository charges	757.67	801.84
Others	17.18	33.30
	4,612.99	4,974.66

26 IMPAIRMENT OF FINANCIAL INSTRUMENTS

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Impairment on trade receivables	67.48	75.34
Impairment on loans	11.97	-
Impairment on other financial assets	(21.68)	83.85
	57.77	159.19

Notes

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27 EMPLOYEE BENEFIT EXPENSES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	8,895.65	8,980.17
Contribution to provident and other funds	605.41	512.27
Share based payments expense	53.66	387.93
Staff training expenses	43.83	158.93
Staff welfare expenses	532.50	503.16
	10,131.05	10,542.46

28 DEPRECIATION, AMORTISATION AND IMPAIRMENT

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation on property, plant and equipment (Refer note 10)	1,129.04	1,004.42
Amortisation of intangible assets (Refer note 11)	430.12	364.19
Depreciation on investment property (Refer note 9)	3.10	3.32
Depreciation on right-of-use asset (Refer note 36)	805.22	583.44
	2,367.48	1,955.37

29 OTHER EXPENSES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Subscription	229.54	199.97
Research expense	76.15	49.19
Loss on sale of stock-in-error	53.39	39.95
Registration & renewal charges	19.42	41.70
Rent	563.66	763.70
Advertisement	414.13	656.28
Telephone	254.41	297.43
Postage	138.83	207.06
Power and fuel	434.17	462.04
Software charges	1,010.46	624.40
Repairs and maintenance:		
Leasehold building	42.79	46.19
Others	259.02	311.33
Printing and stationery	138.62	234.70
Travelling and conveyance	316.84	379.28
Legal and professional charges	160.78	186.49
Payments to auditors (Refer note (i) below)	67.73	70.42
Office expenses	196.12	198.64
Business promotion	76.29	101.82
Rates and taxes	116.06	215.22
Corporate social responsibility expenses (Refer note (ii) below)	126.54	168.09
Donations and contributions	0.10	0.50
Insurance	11.21	11.49
Miscellaneous expenses	288.27	368.70
	4,994.53	5,634.59

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29 OTHER EXPENSES (CONTD..)

Note:

- i) Payments to auditors include payments to statutory auditor towards (net of input goods and services tax credit, where applicable):

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Audit	16.50	16.50
Limited review	7.40	7.40
Tax audit	1.00	1.00
Other services	3.31	3.28
Reimbursement of expenses	1.41	1.41
Total	29.62	29.59

- ii) Details of amount spent towards corporate social responsibility activities

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
a) Gross amount required to be spent by the Company during the year	156.92	155.06
b) Amount spent during the year on:		
(i) Construction / acquisition of any asset - paid in cash	-	-
(ii) On purposes other than (i) above - paid in cash	126.54	168.09
(iii) Construction / acquisition of any asset - yet to be paid in cash	-	-
(iv) On purposes other than (iii) above - yet to be paid in cash	-	-

- 30 Exceptional item represents the impairment in investment held in a jointly controlled entity.

31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i) Contingent liabilities

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a) Claims against the company not acknowledged as debts :			
Legal suits filed against the company / matters under arbitration	272.18	275.22	278.95
Income tax demands, pending in appeal (Refer note below)	852.66	774.06	791.95
Show cause notices from service tax department for which the Company has filed replies (Refer note below)	1.72	1.72	423.77
Service tax demands, pending in appeal (Refer note below)	77.98	77.98	70.63
Demand under Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (Refer note below)	-	-	1,702.70
b) Guarantees given by the company	15.68	15.68	15.68

Note: Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

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31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (CONTD..)

Direct tax matters

The Company has ongoing disputes with Income Tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of tax incentives or allowances, and characterisation of fees for services received. As at 31 March 2020, the Company has contingent liability of ₹ 852.66 lakhs (31 March 2019: ₹ 774.06 lakhs; 1 April 2018: ₹ 791.95 lakhs) in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.

The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. Management has evaluated these notices and inquiries and has concluded that the position taken by it on the above matters is tenable and hence no adjustments have been made in the financial statements.

Indirect tax matters

The Company has ongoing disputes with Indirect tax authorities mainly relating to treatment of characterisation and classification of certain items. As at 31 March 2020, the Company has demands and show cause notices amounting to ₹ 79.70 lakhs (31 March 2019: ₹ 79.70 lakhs; 1 April 2018: ₹ 494.40 lakhs) from various indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

Other matters

The Company had disputes with the Provident Fund authorities as regards treatment of certain allowances for the computation of provident fund liability which was disclosed as contingent liability during the year ended 31 March 2018. During the previous year, the Regional Provident Fund Commissioner has dropped the above proceedings against the company.

On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. The Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

ii) Commitments

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for:			
Property, plant and equipment	429.35	655.63	209.85
Intangible assets	44.59	214.68	38.19
Acquisition of clients of Geofin Comtrade Limited (Refer note below)	-	-	810.00

Note : The Company had entered into an agreement on 1 February 2018 with Geofin Comtrade Limited to acquire its clients (without any other assets or liabilities), for a consideration of ₹ 810 lakhs (excluding applicable taxes). During the previous year the transaction has been completed and ₹ 716.34 lakhs has been capitalised as client acquisition under intangible assets.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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32 EARNINGS PER SHARE (EPS)

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
A. Basic earnings per share		
The calculation of profit/loss attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:		
i) Net profit attributable to equity share holders (basic)		
Net profit for the year, attributable to the equity share holders	3,774.18	2,454.68
ii) Weighted average number of equity shares (basic)		
Opening balance (Refer note 17)	238,295,401	237,869,523
Effect of share options exercised	3,464	310,590
Weighted average number of equity shares of ₹ 1 each for the year	238,298,865	238,180,113
Earnings per share, basic - ₹	1.58	1.03
B. Diluted earnings per share		
The calculation of profit/loss attributable to equity share holders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares is as follows:		
i) Net profit attributable to equity share holders (diluted)		
Net profit for the year, attributable to the equity share holders	3,774.18	2,454.68
ii) Weighted average number of equity shares (diluted)		
Weighted average number of equity shares of ₹ 1 each for the year (basic)	238,298,865	238,180,113
Effect of exercise of share options	-	2,085,290
Weighted average number of equity shares of ₹ 1 each for the year (diluted)	238,298,865	240,265,403
Earnings per share, diluted - ₹	1.58	1.02

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33 INCOME TAXES

A. Income tax assets

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Income tax assets	1,355.01	913.80	772.40
Net income tax assets	1,355.01	913.80	772.40

B. The major components of income tax expense for the year are as under:

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Current tax		
In respect of current year	1,717.20	1,938.20
In respect of previous years	(278.92)	(42.21)
Total (A)	1,438.28	1,895.99
Deferred tax		
Origination and reversal of temporary differences	(155.38)	(54.77)
Impact of change in tax rate	153.18	(4.55)
Total (B)	(2.20)	(59.32)
Income tax recognised in the Statement of profit and loss (A+B)	1,436.08	1,836.67
Income tax expenses recognised in OCI		
Re-measurement of defined employee benefit plans	(3.05)	7.58
Income tax relating to items that will not be classified to profit and loss	-	-
Total	(3.05)	7.58

C. Reconciliation of tax expenses and the accounting profit for the year are as under:

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Profit before exceptional items and tax	6,230.16	5,041.35
Other comprehensive income	(12.07)	22.81
Total	6,218.09	5,064.16
Enacted tax rate in India	25.17%	34.94%
Income tax expenses calculated (refer note below)	1,564.97	1,769.64
Tax on expense not tax deductible	188.29	229.79
Tax on income exempt from tax	(13.97)	(12.79)
Tax on income at special rate	(22.09)	(48.44)
Total tax expenses as per profit and loss	1,717.20	1,938.20

The Taxation Laws (Amendment) Ordinance, 2019, provide domestic companies a non-reversible option to pay corporate tax at concessional rate effective from 1 April 2019, subject to certain conditions. The Company has adopted the reduced rates during the year ended 31 March 2020.

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33 INCOME TAXES (CONTD..)

D. Deferred tax assets and liabilities

As at 31 March 2020

(All amounts in Indian Rupees lakhs)

Movement during the year ended 31 March 2020	As at 1 April 2019	Credit/ (charge) in the Statement of profit and loss	Credit/(charge) in Other comprehensive income	As at 31 March 2020
Property, plant and equipment and investment property	244.66	(666.60)	-	(421.94)
Impairment loss allowance	416.94	(96.20)	-	320.74
Employee benefits	55.73	26.12	3.04	84.89
Fair value gain /(loss) on investments	(1.00)	1.82	-	0.82
Lease liabilities and other temporary differences	(168.78)	737.06	-	568.28
Net deferred tax assets / (liabilities)	547.55	2.20	3.04	552.79

As at 31 March 2019

(All amounts in Indian Rupees lakhs)

Movement during the year ended 31 March 2019	As at 1 April 2018	Credit/ (charge) in the Statement of profit and loss	Credit/(charge) in Other comprehensive income	As at 31 March 2019
Property, plant and equipment and investment property	25.68	218.98	-	244.66
Impairment loss allowance	359.26	57.68	-	416.94
Employee benefits	115.97	(52.66)	(7.58)	55.73
Fair value gain /(loss) on investments	(5.10)	4.10	-	(1.00)
Lease liabilities and other temporary differences	-	(168.78)	-	(168.78)
Net deferred tax assets / (liabilities)	495.81	59.32	(7.58)	547.55

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34 EMPLOYEE STOCK OPTION PLANS

(A) Details of options granted are as follows:

(All amounts in Indian Rupees lakhs)

	ESOP 2010 - Tranche III	ESOP 2010 - Tranche IV	ESOP 2016 - Grant 1	ESOP 2016 - Grant 2	ESOP 2016 - Grant 3	ESOP 2016 - Grant 4	ESOP 2016 - Grant 5
Date of grant	21 May 2013	27 June 2014	4 August 2016	2 September 2017	23 January 2018	20 March 2018	23 April 2018
Date of Nomination and Remuneration Committee approval	12 April 2010	12 April 2010	4 August 2016	2 September 2017	23 January 2018	20 March 2018	23 April 2018
Date of shareholder approval	12 July 2010	12 July 2010	4 August 2016	4 August 2016	4 August 2016	4 August 2016	4 August 2016
Eligible employees	All	All	All	All	All	All	All
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. of equity shares for each option	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share
No. of options granted	2,799,991	2,799,999	8,079,340	1,197,312	2,582	23,674	261,250
Exercise price	₹ 23.95	₹ 41.45	₹ 41.60	₹ 117.40	₹ 117.35	₹ 101.25	₹ 101.15
Vesting period and manner of vesting	Immediate vesting on 2nd anniversary from grant date	Immediate vesting on 2nd anniversary from grant date	In a graded manner over 4 years commencing from 01 October 2017	In a graded manner over 3 years commencing from 01 October 2018	In a graded manner over 3 years commencing from 01 April 2019	In a graded manner over 3 years commencing from 01 April 2019	Immediate vesting on 01 May 2019
Vesting condition	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time						
Exercise period	3 years from vesting date	3 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 years from vesting date
No. of options outstanding at the beginning of the year	- (254,514)	656,028 (847,863)	5,569,414 (6,732,660)	908,641 (1,095,795)	1,485 (2,582)	11,700 (23,674)	224,571 (-)
Add: No. of options granted during the year	(-)	(-)	(-)	(-)	(-)	(-)	(261,250)
Less: No. of options forfeited on resignation / lapsed due to non-exercise during the year	(27,964)	651,669 (19,913)	70,565 (1,143,650)	103,060 (187,154)	- (1,097)	230 (11,974)	1,825 (36,679)
Less: No. of options exercised during the year	(226,550)	4,359 (171,922)	- (19,596)	- (-)	- (-)	- (-)	- (-)
No. of options outstanding at the end of the year	(-)	(656,028)	5,498,849 (5,569,414)	805,581 (908,641)	1,485 (1,485)	11,470 (11,700)	222,746 (224,571)
No. of options vested during the year	(-)	(-)	21,533 (219,684)	35 (3,691)	- (-)	- (-)	224,571 (-)
No. of options exercisable at year end	(-)	(656,028)	356,784 (339,283)	1,695 (1,717)	- (-)	- (-)	222,746 (-)
No. of options available for grant at year end	(-)	(-)	1,076,382 (2,205,987)	- (-)	- (-)	- (-)	- (-)
Weighted average remaining contractual life of options outstanding at year end	(-)	(-)	2.2 years (3.2 years)	1.5 years (2.5 years)	1.3 years (2.3 years)	1.2 years (2.2 years)	1.5 years (2.5 years)

Note: Previous year figures are given in brackets.

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34 EMPLOYEE STOCK OPTION PLANS: (CONTD...)

(A) Details of options granted are as follows:

(All amounts in Indian Rupees lakhs)

	ESOP 2016 - Grant 6	ESOP 2016 - Grant 7	ESOP 2016 - Grant 8	ESOP 2017 Tranche 1	ESOP 2017 Special-1	ESOP 2017 Tranche 2	ESOP 2017 Special-2
Date of grant	6 December 2018	26 March 2019	6 February 2020	23 January 2018	16 May 2018	26 March 2019	29 May 2019
Date of Nomination and Remuneration Committee approval	6 December 2018	26 March 2019	6 February 2020	23 January 2018	16 May 2018	26 March 2019	29 May 2019
Date of shareholder approval	4 August 2016	4 August 2016	4 August 2016	22 November 2017	22 November 2017	22 November 2017	22 November 2017
Eligible employees	All	All	All	All	Specified employees	All	Specified employees
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. of equity shares for each option	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share
No. of options granted	749,660	1,278,698	159,691	1,073,780	400,000	1,072,516	90,000
Exercise price	₹ 44.10	₹ 39.75	₹ 27.60	₹ 117.35	₹ 98.20	₹ 39.75	₹ 38.75
Vesting period and manner of vesting	In a graded manner over 2 years commencing from 01 April 2020	In a graded manner over 2 years commencing from 01 April 2020	Immediate vesting on 01 October 2021	Immediate vesting on 01 February 2019	In a graded manner over 4 years commencing from 01 June 2019	Immediate vesting on 01 April 2020	In a graded manner over 4 years commencing from 01 June 2020
Vesting condition	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time						
Exercise period	3 to 4 years from vesting date	3 to 4 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date
No. of options outstanding at the beginning of the year	702,773 (-)	1,278,698 (-)	- (-)	860,699 (1,051,995)	400,000 (-)	1,070,594 (-)	- (-)
Add: No. of options granted during the year	- (749,660)	- (1,278,698)	159,691 (-)	- (-)	- (400,000)	- (1,072,516)	90,000 (-)
Less: No. of options forfeited on resignation / lapsed due to non-exercise during the year	192,871 (46,887)	163,356 (-)	1,448 (-)	55,179 (191,296)	71,705 (-)	70,753 (1,922)	- (-)
Less: No. of options exercised during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
No. of options outstanding at the end of the year	509,902 (702,773)	1,115,342 (1,278,698)	158,243 (-)	805,520 (860,699)	328,295 (400,000)	999,841 (1,070,594)	90,000 (-)
No. of options vested during the year	- (-)	- (-)	- (-)	- (873,553)	28,295 (-)	- (-)	- (-)
No. of options exercisable at year end	- (-)	- (-)	- (-)	805,520 (860,699)	28,295 (-)	- (-)	- (-)
No. of options available for grant at year end	- (-)	- (-)	- (-)	2,487,232 (2,379,595)	- (-)	- (-)	- (-)
Weighted average remaining contractual life of options outstanding at year end	2.1 years (3.1 years)	1.7 years (2.7 years)	3 years (-)	0.5 years (1.5 years)	2.2 years (2.5 years)	1.5 years (2.5 years)	3.2 years (-)

Note: Previous year figures are given in brackets.

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34 EMPLOYEE STOCK OPTION PLANS: (CONTD...)

(B) Accounting of employee share based compensation cost:

The Company has adopted 'fair value method' for accounting employee share based compensation cost. Under the fair value method, fair value of options are expensed on straight-line basis over the vesting period as employee share based compensation cost. The expected forfeiture rate per annum is 10% for all ESOP schemes (31 March 2019: 10%).

(C) Details of fair value method of accounting for employee compensation cost using Black-Scholes options pricing model are as follows:

(All amounts in Indian Rupees lakhs)

Plan	ESOP 2010 - Tranche III	ESOP 2010 - Tranche IV	ESOP 2016 - Grant 1	ESOP 2016 - Grant 2	ESOP 2016 - Grant 3	ESOP 2016 - Grant 4	ESOP 2016 - Grant 5
Weighted average fair value per option (₹)	5.70	16.64	13.45	37.48	38.37	33.57	27.58
Market price relevant for grant (₹)	23.95	41.45	41.60	117.40	117.35	101.25	101.15
Weighted average share price as on the date of exercise during the year (₹)	NA	30 May 19 - 39.05 07 Aug 19 - 23.75	NA	NA	NA	NA	NA
Expected annual volatility of shares	42%	66%	35%	37%	39%	40%	39%
Expected dividend yield	4.59%	0.46%	2.00%	1.20%	1.20%	1.20%	2.20%
Risk free interest rate	8.00%	8.00%	6.70% - 6.90%	6.10% - 6.30%	6.70% - 6.90%	6.80% - 7.00%	7.00%
Expected life (in years)	2.0	2.0	2.7 - 5.7	2.6 - 4.6	2.7 - 4.2	2.5 - 4.0	2.5

(All amounts in Indian Rupees lakhs)

Plan	ESOP 2016 - Grant 6	ESOP 2016 - Grant 7	ESOP 2016 - Grant 8	ESOP 2017 Tranche 1	ESOP 2017 Special-1	ESOP 2017 Tranche 2	ESOP 2017 Special-2
Weighted average fair value per option (₹)	12.67	11.15	7.96	33.77	33.59	10.74	12.43
Market price relevant for grant (₹)	44.10	39.75	27.60	117.35	98.20	39.75	38.75
Weighted average share price as on the date of exercise during the year (₹)	NA	NA	NA	NA	NA	NA	NA
Expected annual volatility of shares	37%	39%	36%	39%	39%	39%	39%
Expected dividend yield	2.20%	2.20%	2.20%	1.20%	2.20%	2.20%	2.58%
Risk free interest rate	6.90% - 7.00%	6.50% - 6.60%	5.80%	6.70%	7.20%-7.70%	6.50%	6.30%- 6.70%
Expected life (in years)	2.8 - 3.3	2.5 - 3.0	3.2	2.5	2.5-5.5	2.5	2.5-5.5

Annualised volatility is computed using the high and low market price of the Company's share over the one year period prior to the date of grant. It is assumed that employees would exercise the options immediately on vesting. The historical volatility of the Company's share price is higher than the volatility considered above. However, the Company expects the volatility of its share price to reduce as it matures.

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35 EMPLOYEE BENEFITS

General description of defined benefit plans

(i) Defined contribution plan – Provident Fund

The Company makes Provident Fund contribution for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised ₹ 441.70 lakhs (31 March 2019: ₹ 289.55 lakhs) towards provident fund contribution in the statement of profit and loss. The contribution payable to the plan by the Company are at the rates specified in the rules of the scheme.

(ii) Defined benefit plan – Gratuity

The Company provides gratuity benefit to its employees (included as part of 'Contribution to provident and other funds' in Note 27 Employee benefits expense), which is funded with Life Insurance Corporation of India.

Details of defined benefit plans as per actuarial valuation are as follows

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
I. Amount recognised in the statement of profit and loss		
Current service cost	70.80	65.27
Net interest cost	3.87	12.24
Total expenses included in employee benefit expenses	74.67	77.51
II. Amount recognised in other comprehensive income		
Remeasurement (gains)/ losses:		
a) Actuarial (gain)/ losses arising from changes in		
- financial assumptions	37.47	10.70
- experience assumptions	(27.80)	(26.83)
b) Return on plan assets, excluding amount included in net interest expense / (income)	2.39	(6.68)
Total amount recognised in other comprehensive income	12.06	(22.81)
III. Changes in the defined benefit obligation		
Opening defined benefit obligation	739.32	686.10
Transfer in / (out)	0.88	36.43
Current service cost	70.80	65.27
Past service cost	-	-
Interest expense	51.75	50.08
Remeasurement (gains)/losses arising from changes in -		
- financial assumptions	37.47	10.70
- experience adjustments	(27.80)	(26.83)
Benefits paid	(45.02)	(82.43)
Closing defined benefit obligation	827.40	739.32

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35 EMPLOYEE BENEFITS (CONTD..)

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
IV. Change in fair value of plan assets during the year		
Opening fair value of plan assets	703.69	455.17
Interest income	47.88	37.84
Expected return on plan assets		
Contributions by employer	3.66	286.43
Add/(less) on account of business combination/transfers		
Remeasurement (gains)/losses arising from changes in -		
- financial assumptions	(2.39)	6.68
Adjustment due to change in opening balance of plan assets		
Actual benefits paid	(45.02)	(82.43)
Closing fair value of plan assets	707.82	703.69
V. Net defined benefit obligation		
Defined benefit obligation	827.40	739.32
Fair value of plan assets	707.82	703.69
Surplus/(deficit)	(119.58)	(35.63)
Non current portion of the above	(119.58)	(35.63)

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
I. Actuarial assumptions and sensitivity		
Discount rate (p.a.)	6.10%	7.00%
Attrition rate	Upto 35 years - 50%; Above 35 years - 12%	Upto 35 years - 50%; Above 35 years - 12%
Expected return on plan assets	7.00%	7.30%
Rate of salary increase	6.00%	6.00%
In- service mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
II. Quantitative sensitivity analysis for input of significant assumptions on defined benefit obligations are as follows		
One percentage point increase in discount rate	(41.55)	(34.95)
One percentage point decrease in discount rate	46.16	38.73
One percentage point increase in salary growth rate	45.75	38.73
One percentage point decrease in salary growth rate	(41.97)	(35.58)
III. Maturity profile of defined benefit obligation		
The weighted average expected remaining lifetime of the plan members as at the date of valuation.	5 years	5 years

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35 EMPLOYEE BENEFITS (CONTD..)

Actuarial assumptions for compensated absences

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
I. Actuarial assumptions and sensitivity		
Discount rate (p.a.)	6.10%	7.00%
Rate of salary increase	6.00%	6.00%
Attrition rate over different age brackets	Upto 35 years - 50%; Above 35 years - 12%	Upto 35 years - 50%; Above 35 years - 12%

The estimate of future salary increases, considered in actuarial valuation, considers inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

36 LEASES

The Company has applied Ind AS 116 with the date of initial application of 1 April 2018.

The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2018. The carrying value of right-of-use assets and lease liabilities are equivalent as at 1 April 2018 of ₹ 1,216.11 lakhs.

As a lessee

a) Additions to right-of-use asset

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Property, plant and equipment	876.07	1,363.11

b) Carrying value of right-of-use asset

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Right-of-use asset as on the opening date	1,995.78	1,216.11	1,216.11
Additions during the year	876.07	1,363.11	-
Depreciation charge for the year	(805.22)	(583.44)	-
Balance as at the year end	2,066.63	1,995.78	1,216.11

c) Maturity analysis of lease liability

(All amounts in Indian Rupees lakhs)

Maturity analysis - contractual undiscounted cashflows	As at 31 March 2020	As at 31 March 2019
Less than 1 year	853.73	945.21
One to five years	1,758.72	2,555.43
More than 5 years	111.86	168.88
Total undiscounted lease liability as at 31 March 2020	2,724.31	3,669.52
Lease liabilities included in the statement of financial position at 31 March 2020	2,257.94	2,096.21

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36 LEASES (CONTD..)

d) Amounts recognised in profit or loss

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on lease liabilities	230.87	165.16
Expenses relating to short-term leases	563.66	763.70

e) Amounts recognised in cash flow statements

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Total cash flow for leases	945.22	648.16

37 OPERATING SEGMENTS

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company. The Company's operations predominantly relate to one segment, viz., broking and financial services. The entire operations are organised and managed as one organisational unit with same set of risks and returns. Hence, same is considered as a single primary segment. Besides, the Company's operations are located only in India and hence, separate secondary geographical segment information is not disclosed.

38 DETAILS OF ASSETS UNDER THE PORTFOLIO MANAGEMENT SCHEME ARE AS FOLLOWS:

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Number of clients	821	656	520
Original cost of assets under management - ₹ in lakhs	19,763.83	16,622.56	7,406.96
Represented by:			
(a) Bank balance - ₹ in lakhs	625.45	800.68	460.31
(b) Cost of portfolio holdings - ₹ in lakhs	19,138.38	15,821.88	6,946.65
Total	19,763.83	16,622.56	7,406.96
Net asset value of portfolio under management - ₹ in lakhs	15,735.34	19,458.72	15,080.05

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39 FINANCIAL INSTRUMENTS

A. Accounting classification

Refer to financial instruments by category table below for the disclosure on carrying value and fair value on financial assets and liabilities. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

The carrying value of financial instruments by categories as of 31 March 2020 is as follows:

(All amounts in Indian Rupees lakhs)

	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	13,383.48	-	-	13,383.48	13,383.48
Other balances with banks	23,790.61	-	-	23,790.61	23,790.61
Trade receivables	7,238.11	-	-	7,238.11	7,238.11
Loans	1,562.91	-	-	1,562.91	1,562.91
Investments (excluding subsidiaries, joint ventures and associate)	-	5,025.51	-	5,025.51	5,025.51
Other financial assets	7,764.06	-	-	7,764.06	7,764.06
Total	53,739.17	5,025.51	-	58,764.68	58,764.68
Liabilities					
Trade payables	1,032.76	-	-	1,032.76	1,032.76
Lease liabilities	2,257.94	-	-	2,257.94	2,257.94
Other financial liabilities	28,761.33	-	-	28,761.33	28,761.33
Total	32,052.03	-	-	32,052.03	32,052.03

The carrying value of financial instruments by categories as of 31 March 2019 is as follows:

(All amounts in Indian Rupees lakhs)

	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	10,990.84	-	-	10,990.84	10,990.84
Other balances with banks	9,790.39	-	-	9,790.39	9,790.39
Trade receivables	12,770.31	-	-	12,770.31	12,770.31
Loans	5,519.46	-	-	5,519.46	5,519.46
Investments (excluding subsidiaries, joint ventures and associate)	-	2,505.48	-	2,505.48	2,505.48
Other financial assets	17,923.51	-	-	17,923.51	17,923.51
Total	56,994.51	2,505.48	-	59,499.99	59,499.99
Liabilities					
Trade payables	809.96	-	-	809.96	809.96
Lease liabilities	2,096.21	-	-	2,096.21	2,096.21
Other financial liabilities	27,153.33	-	-	27,153.33	27,153.33
Total	30,059.50	-	-	30,059.50	30,059.50

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39 FINANCIAL INSTRUMENTS (CONTD..)

The carrying value of financial instruments by categories as of 1 April 2018 is as follows:

(All amounts in Indian Rupees lakhs)

	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	9,684.82	-	-	9,684.82	9,684.82
Other balances with banks	9,258.58	-	-	9,258.58	9,258.58
Trade receivables	12,276.77	-	-	12,276.77	12,276.77
Loans	1,499.77	-	-	1,499.77	1,499.77
Investments (excluding subsidiaries, joint ventures and associate)	-	8,745.78	-	8,745.78	8,745.78
Other financial assets	15,087.09	-	-	15,087.09	15,087.09
Total	47,807.03	8,745.78	-	56,552.81	56,552.81
Liabilities					
Trade payables	997.12	-	-	997.12	997.12
Lease liabilities	1,216.11	-	-	1,216.11	1,216.11
Other financial liabilities	20,706.16	-	-	20,706.16	20,706.16
Total	22,919.39	-	-	22,919.39	22,919.39

B. Measurement of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The investments included in Level 1 of fair value hierarchy have been valued using quoted prices for instruments in an active market. The investments included in Level 2 of fair value hierarchy have been valued using valuation techniques based on observable market data. The investment included in Level 3 of fair value hierarchy have been valued using the income approach and break-up value to arrive at their fair value. There is no movement from between Level 1, Level 2 and Level 3. There is no change in inputs used for measuring Level 3 fair value.

The following table summarises financial instruments measured at fair value on recurring basis:

As at 31 March 2020

(All amounts in Indian Rupees lakhs)

	Level 1	Level 2	Level 3	Total
Financial instruments:				
Mutual fund units	-	5,000.19	-	5,000.19
Equity shares	-	-	25.32	25.32
Total	-	5,000.19	25.32	5,025.51

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39 FINANCIAL INSTRUMENTS (CONTD..)

As at 31 March 2019

(All amounts in Indian Rupees lakhs)

	Level 1	Level 2	Level 3	Total
Financial instruments:				
Mutual fund units	-	2,503.47	-	2,503.47
Equity shares	-	-	2.01	2.01
Total	-	2,503.47	2.01	2,505.48

As at 1 April 2018

(All amounts in Indian Rupees lakhs)

	Level 1	Level 2	Level 3	Total
Financial instruments:				
Mutual fund units	-	8743.74	-	8,743.74
Equity shares	-	-	2.01	2.01
Debt securities	-	-	0.03	0.03
Total	-	8743.74	2.04	8,745.78

C. Financial risk management

The Company has exposure to the following risk arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallisation of such risks. The Board oversees the Company's risk management and has constituted an Enterprise Risk Management Committee, which frames and reviews risk management processes and controls.

a) Credit risk:

It is risk of financial loss that the Company will incur a loss because its customer and counterparty to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprise of Cash and bank balance, Trade receivables, Loans, Investments and Other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

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39 FINANCIAL INSTRUMENTS (CONTD..)

Following provides exposure to credit risk for trade receivables and loans:

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Trade receivables (net of impairment)	7,238.11	12,770.31	12,276.77
Loans (net of impairment)	1,562.91	5,519.46	1,499.77
Total	8,801.02	18,289.77	13,776.54

Trade receivables and loans:

The Company has followed simplified approach for measurement of expected credit loss in case of receivables and loans. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. Based on the industry practices and business environment in which the entity operates, management considers that the trade receivables and loans are in default based on the due dates of the respective financial assets.

b) Liquidity risk

Liquidity represents the ability of the Company to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavourable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and/or unexpected claims. It arises in the funding of lending, trading and investment activities and in the management of trading positions.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

Funds required for short period is taken care by borrowings utilising overdraft facility from bank.

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39 FINANCIAL INSTRUMENTS (CONTD..)

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31 March 2020

(All amounts in Indian Rupees lakhs)

	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	29,026.44	8,124.70	22.95	37,174.09
Trade receivables	7,238.11	-	-	7,238.11
Loans	1,562.91	-	-	1,562.91
Investments (excluding subsidiaries, joint ventures and associate)	5025.51	-	-	5025.51
Other financial assets	802.11	263.76	6,698.19	7,764.06
Total	43,655.08	8,388.46	6,721.14	58,764.68
Liabilities				
Trade payables	1,032.76	-	-	1,032.76
Lease liabilities	343.73	322.61	1,591.60	2,257.94
Other financial liabilities	28,673.11	-	88.22	28,761.33
Total	30,049.60	322.61	1,679.82	32,052.03
Net	13,605.48	8,065.85	5,041.32	26,712.65

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31 March 2019

(All amounts in Indian Rupees lakhs)

	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	14,756.18	5,736.34	288.71	20,781.23
Trade receivables	12,770.31	-	-	12,770.31
Loans	5,519.46	-	-	5,519.46
Investments (excluding subsidiaries, joint ventures and associate)	2,505.48	-	-	2,505.48
Other financial assets	7,877.80	201.94	9,843.77	17,923.51
Total	43,429.23	5,938.28	10,132.48	59,499.99
Liabilities				
Trade payables	809.96	-	-	809.96
Lease liabilities	323.75	316.16	1,456.30	2,096.21
Other financial liabilities	27,059.45	-	93.88	27,153.33
Total	28,193.16	316.16	1,550.18	30,059.50
Net	15,236.07	5,622.12	8,582.30	29,440.49

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39 FINANCIAL INSTRUMENTS (CONTD..)

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 1 April 2018

	(All amounts in Indian Rupees lakhs)			
	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	12,900.14	5,903.43	139.83	18,943.40
Trade receivables	12,276.77	-	-	12,276.77
Loans	1,499.77	-	-	1,499.77
Investments (excluding subsidiaries, joint ventures and associate)	8,745.78	-	-	8,745.78
Other financial assets	2,543.47	178.33	12,365.29	15,087.09
Total	37,965.93	6,081.76	12,505.12	56,552.81
Liabilities				
Trade payables	997.12	-	-	997.12
Lease liabilities	171.58	185.32	859.21	1,216.11
Other financial liabilities	20,580.27	-	125.89	20,706.16
Total	21,748.97	185.32	985.10	22,919.39
Net	16,216.96	5,896.44	11,520.02	33,633.42

c) Market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company, in its course of business is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximise returns. The Company classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analysis:

- i) Equity price risk
- ii) Interest rate risk
- iii) Currency risk

i) Equity price risk

The Company doesnot have proprietary trading positions in equity. In respect of the client positions, the risk is managed through risk based margin requirements and hence the Company do not envisage a substantial equity price risk.

ii) Interest rate risk

The Company's exposure to interest rate risks arises primarily due to the short term investments in debt mutual funds.

An increase of 5 percent in net assets value (NAV) would increase profit before tax by approximately ₹ 250.01 lakhs (31 March 2019 : ₹ 125.17 lakhs). A similar percentage decrease would have resulted in equivalent opposite impact.

iii) Foreign exchange risk / Currency risk

The Company does not have any foreign currency exposure at the beginning or end of the reporting period and hence do not have any material foreign exchange / currency risks.

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40 RELATED PARTY DISCLOSURES

(i) Names of related parties and description of relationship with the Company:

Nature of relationship	Name of related party
A. Enterprises where control exists	
Subsidiary companies	Geojit Credits Private Limited
	Geojit Technologies Private Limited
	Geojit Investment Services Limited (Refer note 41)
	Geojit Financial Management Services Private Limited (Refer note 41)
	Geojit Financial Distribution Private Limited (Refer note 41)
	Qurum Business Group Geojit Securities LLC
	Geojit Techloan Private Limited
B. Other related parties with whom the Company had transactions during the year	
Jointly controlled entities	Barjeel Geojit Financial Services LLC (formerly known as Barjeel Geojit Securities LLC)
	Aloula Geojit Capital Company *
Associate entity	BBK Geojit Securities KSC
Entity having significant interest in the company	BNP Paribas SA
Key management personnel / Directors	Mr. C. J. George, Managing Director
	Mr. Satish Menon, Wholetime Director (wef 2 August 2018)
	Mr. A Balakrishnan, Wholetime Director (wef 2 August 2018)
	Mr. A P Kurian, Independent Director (till 29 March 2019)
	Mr. R Bupathy, Independent Director
	Mr. Mahesh Vyas, Independent Director
	Mr. Radhakrishnan Nair, Independent Director
	Ms. Mohana Raj Nair, Independent Director (till 2 February 2020)
	Mr. James Varghese, Independent Director (wef 14 November 2019)
	Mr. Punnoose George, Non executive Director
	Mr. M G Rajamanickam, Nominee Director (wef 12 December 2019)
	Mr. Sanjeev Kumar Rajan, Chief Financial Officer
	Mr. Liju K. Johnson, Company Secretary
Relative of key management personnel	Mr. Jones George
	Mr. Jyothis Abraham George
	Ms. Shiny George
	Ms. Susan Raju
	Ms. Sally Sampath
	Ms. Subhadra Ramakrishnan
	Ms. Sangeeta Kamath
Entity over which relative of key management person has control	Ms. Bindu Balakrishnan
	Geofin Comtrade Limited
Trust under the control of the Company	Geofin Capital Services Limited
	Geojit Foundation

* Loss of significant influence with effect from 1 July 2019 (Refer note 30)

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40 RELATED PARTY DISCLOSURES (CONTD..)

(ii) Related party transactions

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended	Year ended
		31 March 2020	31 March 2019
Geojit Credits Private Limited	Loans repaid	607.00	150.00
	Loans given	510.00	-
	Expenses recovered	7.57	1.53
	Business promotion expenses	13.76	65.19
	Cost recovery for shared services	13.99	14.73
	Property, plant and equipments purchased	5.65	-
	Interest received	31.81	30.53
Geojit Technologies Private Limited	Software services availed	387.57	371.41
	Miscellaneous expenses - SMS charges	46.71	36.47
	Software charges - AMC paid	30.00	30.00
	Rent received	36.65	34.77
	Loans taken	3,500.00	2,500.00
	Loans repaid	3,500.00	2,500.00
	Interest paid	15.44	0.59
	Software purchased	64.61	62.20
	Cost recovery for shared services	34.72	35.14
	Expenses recovered	11.50	4.98
	Expenses reimbursed	3.00	6.00
	Expenses recovered	2.94	0.44
Geojit Investment Services Limited	Cost recovery for shared services	16.30	15.23
	Expenses reimbursed	23.03	25.23
Qurum Business Group	Marketing fees paid	97.06	65.46
Geojit Securities LLC			
Geojit Techloan Private Limited	Investment in shares	200.00	5.00
	Expenses recovered	2.49	0.37
Barjeel Geojit Financial Services LLC (formerly known as Barjeel Geojit Securities LLC)	Marketing fees paid	492.22	530.28
	Expenses recovered	10.89	10.16
	Dividend received	287.00	277.23
Aloula Geojit Capital Company	Expenses recovered	0.98	9.16
BBK Geojit Securities KSC	Marketing fees paid	86.48	69.65
BNP Paribas SA Mr. C. J. George	Dividend paid	1,917.22	1,533.78
	Salary and allowances **	197.25	183.68
	Brokerage income	0.29	0.05
	Dividend paid	1,082.83	866.26
Mr. Satish Menon	Salary and allowances **	92.20	61.45
	Brokerage income	0.14	0.09
	Depository income	***	0.01
	Dividend paid	17.31	12.71
Mr. A Balakrishnan	Salary and allowances **	92.06	60.83
	Brokerage income	0.02	0.02
	Depository income	***	-
	Dividend paid	6.16	4.78
Non-executive Directors	Sitting fee	18.70	24.50

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40 RELATED PARTY DISCLOSURES (CONTD..)

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended	Year ended
		31 March 2020	31 March 2019
Other Key Management Personnel	Salary and allowances **	75.15	68.73
Mr. Jones George	Salary and allowances **	18.10	12.08
	Portfolio management services income	0.82	0.01
	Brokerage income	0.13	***
	Depository income	0.01	***
	Dividend paid	75.25	50.00
Mr. Jyothis Abraham George	Brokerage income	0.16	0.01
	Depository income	0.01	0.01
	Dividend paid	75.25	50.00
Ms. Shiny George	Dividend paid	-	15.00
Ms. Susan Raju	Dividend paid	0.08	0.06
	Depository income	0.01	-
Ms. Sally Sampath	Depository income	0.01	-
	Dividend paid	0.13	0.10
Ms. Subhadra Ramakrishnan	Depository income	0.01	0.01
Ms. Sangeeta Kamath	Portfolio management services income	0.46	0.39
	Brokerage income	0.06	-
	Depository income	***	-
Ms. Bindu Balakrishnan	Brokerage income	-	***
	Depository income	0.01	0.01

** The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

*** The amount is below the rounding off norms adopted by the Company.

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended	Year ended
		31 March 2020	31 March 2019
Geofin Comtrade Limited	Expenses reimbursed	-	19.13
	Portfolio management services income	7.29	4.76
	Cost recovery for shared services	0.90	5.59
	Client acquisition	-	716.34
	Property, plant and equipment purchased	-	10.06
	Rent deposit accepted	-	1.00
	Rent deposit refunded	-	13.78
	Rental income	2.47	5.06
Geofin Capital Services Limited	Rental income	-	0.05
	Commission to business associates	-	3.51
	Cost recovery for shared services	-	***
	Rent deposit refunded	0.22	-
	Expenses reimbursed	-	-
Geojit Foundation	Security deposit repaid	-	10.00
	Corporate social responsibility expenses	124.09	65.76
	Expenses recovered	0.18	0.28
	Training fee paid	0.22	-

*** The amount is below the rounding off norms adopted by the Company.

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40 RELATED PARTY DISCLOSURES (CONTD..)

(iii) Amount outstanding as at the balance sheet date

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Receivable / (Payable) as at 31 March 2020	Receivable / (Payable) as at 31 March 2019	Receivable / (Payable) as at 1 April 2018
Geojit Credits Private Limited	Loans given	180.00	277.00	427.00
	Loans - receivable	12.85	0.69	-
Geojit Technologies Private Limited	Other financial liabilities - Rent deposits	(13.00)	(13.00)	(13.00)
	Loans - receivable	21.25	21.03	-
	Fixed deposits with bank pledged for credit facility availed by the Company - Limit of ₹ 8,500 lakhs (31 March 2019 - ₹ 8,500 lakhs)	-	-	-
Geojit Investment Services Limited	Loans - receivable	3.41	-	-
Qurum Business Group	Trade payables - Marketing fee	(34.51)	(32.44)	(26.04)
Geojit Securities LLC				
Geojit Techloan Private Limited	Trade receivables	2.72	-	-
Barjeel Geojit Securities LLC	Trade payables - Marketing fee	(271.25)	(231.10)	(468.12)
	Trade receivables	5.59	-	-
Aloula Geojit Capital Company	Loans - receivable	11.97	10.81	-
BBK Geojit Securities KSC	Trade payables - Marketing fee	(22.53)	(15.27)	(28.67)
BNP Paribas SA	Balances with banks in current accounts	35.53	10.65	67.96
Mr. C. J. George	Accrued salaries and benefits	(53.93)	(32.95)	(155.81)
Mr. Satish Menon	Accrued salaries and benefits	(31.18)	(21.61)	-
Mr. A Balakrishnan	Accrued salaries and benefits	(31.18)	(21.61)	-
Other Key Management Personnel	Accrued salaries and benefits	(6.24)	(5.59)	(10.46)
Mr. Jones George	Other financial liabilities - PMS balance	-	(17.82)	-
Ms. Sangeeta Kamath	Other financial liabilities - PMS balance	(1.21)	(1.20)	-
Geofin Comtrade Limited	Loans - receivable	4.08	-	8.64
	Trade payables - Others	(0.01)	(4.14)	(0.01)
	Other financial liabilities - PMS balance	-	(39.59)	-
	Other financial liabilities - Rent deposits	(1)	(1)	(13.78)
Geofin Capital Services Limited	Other financial liabilities - Security deposits	-	-	(10.00)
	Loans - receivable	-	-	0.06
	Other financial liabilities - Rent deposits	-	(0.22)	(0.22)
	Trade payables - Commission payable	-	(1.98)	(3.85)
Geojit Foundation	Loans - receivable	0.17	-	-
	Other financial liabilities - Training fee	-	-	(7.63)

Notes

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41 During the year ended 31 March 2019, the National Company Law Tribunal has approved the scheme of amalgamation in the nature of merger of Geojit Financial Management Services Private Limited - GFMSPL (subsidiary) and Geojit Financial Distribution Private Limited - GFDPL (step down subsidiary) with the Geojit Investment Services Limited - GISL (subsidiary), with effect from 1 April 2015 and the certified copies of the said orders were duly filed with the Registrar of Companies on 29 August 2018, the effective date of the Scheme. Accordingly, the assets, liabilities and reserves of erstwhile GFMSPL and GFDPL have been taken over at their books values by GISL.

The Board of Directors of the Company approved the merger of Geojit Investment Services Limited with the Company on 24 January 2018 and the effective date of the merger was 1 April 2016. These applications are filed with the NCLT Kochi on 22 October 2019 and the proceedings are in progress.

42 Covid-19 outbreak was declared as a global pandemic by World Health Organisation (WHO) on 11 March 2020. Indian authorities have followed an approach of complete lockdown since 24 March 2020 starting with three-week complete lockdown, during which only defined essential services were operating with limited capacity. The lockdown kept on getting extended with gradual and modest relaxations. Stock broking service has been declared as an essential service and accordingly, the Company has been in operation consistently with minimal permitted staff. Accordingly, as of 31 March 2020, based on the facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration.

43 FIRST-TIME ADOPTION OF IND AS

This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019 to comply with Ind AS.

i) Comparative balance sheet as at 1 April 2018 and 31 March 2019

(All amounts in Indian Rupees lakhs)

	Notes	As at 1 April 2018			As at 31 March 2019			
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS	
Assets								
Financial assets								
a)	Cash and cash equivalents	9,684.82	-	9,684.82	10,990.84	-	10,990.84	
b)	Other bank balances	9,258.58	-	9,258.58	9,790.39	-	9,790.39	
c)	Trade receivables	1	12,443.72	(166.95)	12,276.77	12,950.27	(179.96)	12,770.31
d)	Loans		1,499.77	-	1,499.77	5,519.46	-	5,519.46
e)	Investments	2	11,469.61	14.71	11,484.32	4,495.55	3.47	4,499.02
f)	Other financial assets	3	15,143.88	(56.79)	15,087.09	18,025.60	(102.09)	17,923.51

Notes

forming part of the standalone financial statements

43 FIRST-TIME ADOPTION OF IND AS (CONTD..)

(All amounts in Indian Rupees lakhs)

	Notes	As at 1 April 2018			As at 31 March 2019		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Non - financial assets							
a) Current tax assets (net)		772.40	-	772.40	913.80	-	913.80
b) Deferred tax liabilities (net)	7	468.53	27.28	495.81	480.48	67.07	547.55
c) Investment property		-	185.37	185.37	0.01	108.18	108.19
d) Property, plant and equipment		4,870.07	(185.37)	4,684.70	5,328.02	(108.18)	5,219.84
e) Right-of-use assets	4	-	1,216.11	1,216.11	-	1,995.78	1,995.78
f) Other intangible assets		660.33	-	660.33	1,308.01	-	1,308.01
g) Other non-financial assets	3	513.19	56.79	569.98	553.96	98.90	652.86
Total assets		66,784.90	1,091.15	67,876.05	70,356.39	1,883.17	72,239.56
Liabilities and equity							
Liabilities							
Financial liabilities							
a) Trade payables		997.12	-	997.12	809.96	-	809.96
b) Lease liabilities	4	-	1,216.11	1,216.11	-	2,096.21	2,096.21
c) Other financial liabilities		20,706.16	-	20,706.16	27,153.33	-	27,153.33
Non - financial liabilities							
a) Provisions		335.33	-	335.33	148.84	-	148.84
b) Other non-financial liabilities	4	1,185.06	(73.43)	1,111.63	1,357.39	(86.79)	1,270.60
Equity							
a) Equity share capital		2,378.70	-	2,378.70	2,382.95	-	2,382.95
b) Other equity		41,182.53	(51.53)	41,131.00	38,503.92	(126.25)	38,377.67
Total equity and liabilities		66,784.90	1,091.15	67,876.05	70,356.39	1,883.17	72,239.56

ii) Comparative Statement of profit and loss statement for the year ended 31 March 2019

(All amounts in Indian Rupees lakhs)

	Notes	Previous GAAP	Adjustments	Ind AS
1 Revenue from operations				
Interest income	3	3,038.62	24.36	3,062.98
Dividend income		277.23	-	277.23
Rental income		39.87	-	39.87
Fees and commission income		24,472.22	-	24,472.22
Net gain on fair value changes	2	400.44	(11.25)	389.19
Others		183.19	-	183.19
Total revenue from operations		28,411.57	13.11	28,424.68

Notes

forming part of the standalone financial statements

43 FIRST-TIME ADOPTION OF IND AS (CONTD..)

(All amounts in Indian Rupees lakhs)

		Notes	Previous GAAP	Adjustments	Ind AS
2	Other income		117.30	-	117.30
3	Total income (1+2)		28,528.87	13.11	28,541.98
4	Expenses				
	Finance cost	4	69.20	165.16	234.36
	Fees and commission expenses		4,974.66	-	4,974.66
	Impairment of financial assets	1	146.19	13.00	159.19
	Employee benefit expenses	5,6	10,131.72	410.74	10,542.46
	Depreciation, amortisation and impairment	4	1,371.93	583.44	1,955.37
	Other expenses	3,4	6,268.57	(633.98)	5,634.59
	Total expenses		22,962.27	538.36	23,500.63
5	Profit before exceptional items and tax (3-4)		5,566.60	(525.25)	5,041.35
6	Exceptional items		(750.00)	-	(750.00)
7	Profit before tax (5+6)		4,816.60	(525.25)	4,291.35
8	Tax expense				
	Current tax		1,938.20	-	1,938.20
	Current tax relating to earlier years		(42.21)	-	(42.21)
	Deferred tax	7	(11.95)	(47.37)	(59.32)
9	Profit for the year (7-8)		2,932.56	(477.88)	2,454.68
10	Other comprehensive income				
	i) Items that will not be reclassified to profit and loss (net of taxes)	5	-	22.81	22.81
	ii) Items that will be reclassified to profit and loss (net of taxes)	7	-	(7.58)	(7.58)
	Other comprehensive income		-	15.23	15.23
11	Total comprehensive income (9+10)		2,932.56	(462.65)	2,469.91

Notes

forming part of the standalone financial statements

43 FIRST-TIME ADOPTION OF IND AS (CONTD..)

iii) Material adjustments to the statement of cash flows for the year ended 31 March 2019

(All amounts in Indian Rupees lakhs)

	Previous GAAP	Adjustments	Ind AS
Net cash flows from operating activities	2,217.32	734.25	2,951.57
Net cash flows from investing activities	5,111.72	(448.61)	4,663.11
Net cash flows from financing activities	(5,660.50)	(648.16)	(6,308.66)
Net increase/ decrease in cash and cash equivalents	1,668.54	(362.52)	1,306.02
Cash and cash equivalents at the beginning of the year	10,291.15	(606.33)	9,684.82
Cash and cash equivalents at the end of the year	11,959.69	(968.85)	10,990.84

Material adjustments on adoption of Ind AS are explained below

1 Impairment of financial instruments

The Company has recognised impairment loss on trade receivables and loans based on the expected credit loss model as required by Ind AS 109.

2 Net gain / loss on fair value changes

Under Previous GAAP, investment in mutual funds was carried at lower of cost or net realisable value. Under Ind AS, these investments are measured at fair value through profit and loss (FVTPL).

3 Amortisation of security deposit

As per Ind AS 109, long term security deposits are recognised at amortised cost and prepaid rent accounted related interest income and rental expense have also been recognised.

4 Leases

Ind AS 116 'Leases' requires the company to recognise the right-of-use asset and corresponding lease liabilities at transition date. The Company has adopted Ind AS 116 from 1 April 2018 using the modified retrospective approach and recognised right-of-use assets at an amount equal to the adjusted lease liabilities. right-of-use assets are depreciated as per the requirements of Ind AS 16, 'Property, plant and equipment'. Interest is recognised on the remaining balance of the lease liabilities during the lease term and disclosed under finance costs.

Under previous GAAP, the operating lease rentals was recognised as an expense on a straight line basis over the lease period. Under IndAS, where the escalation rate is in line with the general inflation rate, straight lining of lease rentals is not required.

5 Remeasurement of net defined benefit liability/ asset

Under Ind AS, re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Company has recognised actuarial gains and losses in profit or loss. However, this has no impact in the total comprehensive income and total equity as on 1 April 2018 or as on 31 March 2019.

Notes

forming part of the standalone financial statements

43 FIRST-TIME ADOPTION OF IND AS (CONTD..)

6 Share based payments

Under Previous GAAP, the Company followed intrinsic value method for accounting compensation expense of employee stock options. Under Ind AS, in case of equity settled share based payment transactions with employees, the fair value as on the grant date should be estimated and recognised as an expense over the vesting period. The Company has followed fair value method only for unvested equity options as on the transition date.

7 Deferred tax adjustments

Deferred tax effect on account of transitional Ind AS adjustments has been recognised on 1 April 2018 and during the year ended 31 March 2019.

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Independent Auditors' Report

To the Members of Geojit Financial Services Limited Report on the Audit of Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Geojit Financial Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint ventures which comprise the consolidated balance sheet as at 31 March 2020, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2020, of its consolidated profit and other

comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Transition date accounting policies

Refer to Note 48 to the Consolidated Financial Statements: 'First time adoption of Ind AS'

Key audit matter	How the matter was addressed in our audit
Adoption of new accounting framework (Ind AS) Effective 1 April 2019, the Company adopted the Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs with transition date of 1 April 2018. The following are the key impact areas for the Company upon transition to Ind AS: <ul style="list-style-type: none"> Classification and measurement of financial assets and financial liabilities 	Our audit procedures included: <ul style="list-style-type: none"> We have confirmed the approvals of Audit Committee for the choices and exemptions made by the Company for compliance with Ind AS 101. Evaluated management's transition date choices and exemptions for compliance under Ind AS 101.

Independent Auditor's Report (Continued)**Key Audit Matters (Continued)**

Key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> Expected Credit Loss model for determining impairment losses Accounting for employee stock options; and Accounting for Leases under Ind AS 116; <p>Transition adjustments include complex accounting treatments, which require determination of new accounting policies; election of various transition options available and practical expedients; and application of higher degree of management judgement and estimates.</p> <p>We identified transition adjustments as a Key audit matter because of significant degree of management judgment and estimates on the areas noted above.</p>	<ul style="list-style-type: none"> Evaluated the appropriateness of the accounting policies based on the requirements of the applicable standards. Assessed the accuracy of the computations for selected transactions. Assessed areas of significant estimates and management judgement in line with principles under Ind AS.
Information Technology	
IT systems and controls	
<p>The Company's key financial accounting and reporting processes are highly dependent on the information systems including automated controls implemented in the Information Technology (IT) systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p> <p>We have identified 'IT systems and controls' as Key audit matter, since for the primary business (broking income), the Company relies on automated processes and controls for recording of income.</p>	<p>We have focused on General IT controls i.e. access management, change management and computer operations control and IT application controls on specific system generated reports and system/application processing over key financial accounting, reporting systems and control systems, for recording of income.</p> <p>Our audit procedures to assess the effectiveness of IT system included the following:</p> <ul style="list-style-type: none"> Performed walkthroughs to evaluate the design and implementation of key automated controls. Involved our IT specialists to test the effectiveness of identified key IT automated controls and IT systems. IT specialists tested relevant key controls operating over IT in relation to financial accounting and reporting systems, including general controls i.e. system access and system change management and computer operations. IT specialists tested design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and other preventive controls. For a selected group of key controls over financial and reporting system, IT specialists independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. Other areas that were independently assessed included password policies, security configurations, system generated reports and system interface controls. Evaluating the design, implementation and operating effectiveness of identified significant accounts related IT automated controls which are relevant for accuracy of system calculation, and consistency of data transmission.

Independent Auditor's Report (Continued)

OTHER INFORMATION

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises of management reports such as Directors' report and Corporate Governance report (but does not include the Standalone Ind AS Financial Statements and our Auditor's Report thereon) which we obtained prior to the date of this Auditor's Report and the remaining sections of Annual Report which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above) if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies

included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associate and ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 and of its associate and joint ventures is responsible for overseeing the financial reporting process of each company.

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.

Independent Auditor's Report (Continued)

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 Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 associate and joint ventures 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 such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results 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 auditors' 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.

Independent Auditor's Report (Continued)

OTHER MATTERS

- (a) We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets (before consolidation adjustments) of ₹ 20,622 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of ₹ 2,752 lakhs and net cash inflows of ₹ 270 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the audit reports of the other auditors.
- (b) The financial statements of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of ₹ 227 lakhs as at 31 March 2020, total revenue (before consolidation adjustments) of ₹ 215 lakhs and net cash outflow of ₹ 24 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net loss after tax (before consolidation adjustments) of ₹ 32 lakhs for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of one associate and two joint ventures, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, associate and joint ventures is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the 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

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- 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 of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

Independent Auditor's Report (Continued)

B. 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 33 to the consolidated financial statements.
- ii. The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020 – Refer Note 33 to the consolidated financial statements.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2020.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial

statements since they do not pertain to the financial year ended 31 March 2020.

- C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Document Identification

Number: 20222515AAAAAR3506

Bengaluru

12 June 2020

Annexure A to the Independent Auditors' report

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A.(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Geojit Financial Services Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements 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 Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

Annexure A to the Independent Auditors' Report (continued)**MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 4 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Rohit Alexander

Partner

Membership No: 222515

ICAI Unique Document Identification

Number: 20222515AAAAAR3506

Bengaluru

12 June 2020

Consolidated Balance Sheet

as at 31 March 2020

(All amounts in Indian Rupees lakhs)

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
ASSETS				
Financial assets				
a) Cash and cash equivalents	3	13,600.12	11,161.30	10,028.50
b) Bank balance other than (a) above	4	37,492.31	22,424.53	15,681.06
c) Derivative financial instruments	5	-	1.62	-
d) Trade receivables	6	7,610.52	13,081.22	12,614.84
e) Loans	7	2,173.06	5,823.68	1,675.50
f) Investments	8	10,461.46	8,663.86	21,017.05
g) Other financial assets	9	7,880.44	18,042.22	15,196.41
		79,217.91	79,198.43	76,213.36
Non-financial assets				
a) Current tax assets (net)	35	1,494.08	1,184.40	1,614.38
b) Deferred tax assets (net)	35	598.69	582.58	507.23
c) Property, plant and equipment	10	5,103.56	5,486.40	5,072.20
d) Right-of-use assets	38	2,127.42	2,097.09	1,357.95
e) Other intangible assets	11	1,041.76	1,380.44	757.94
f) Other non-financial assets	12	1,282.65	750.27	619.28
		11,648.16	11,481.18	9,928.98
Total assets		90,866.07	90,679.61	86,142.34
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
a) Derivative financial instruments	13	3.82	-	0.62
b) Trade payables	14			
i. Total outstanding dues of micro and small enterprises		8.59	27.42	-
ii. Total outstanding dues of creditors other than micro and small enterprises		1,209.20	1,002.96	1,243.45
c) Lease liabilities	38	2,328.45	2,205.27	1,357.95
d) Other financial liabilities	15	28,750.69	27,119.41	20,693.19
		32,300.75	30,355.06	23,295.21
Non-financial liabilities				
a) Current tax liabilities (net)	35	44.28	3.66	14.05
b) Provisions	16	287.85	172.01	384.37
c) Other non-financial liabilities	17	1,492.02	1,337.02	1,212.07
		1,824.15	1,512.69	1,610.49
EQUITY				
a) Equity share capital	18	2,383.00	2,382.95	2,378.70
b) Other equity	19	48,024.87	50,458.37	53,358.98
Equity attributable to owners of the company		50,407.87	52,841.32	55,737.68
Non-controlling interests		6,333.30	5,970.54	5,498.96
Total equity		56,741.17	58,811.86	61,236.64
Total liabilities and equity		90,866.07	90,679.61	86,142.34

Significant accounting policies

2

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Consolidated Statement of profit and loss

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
1 Revenue from operations			
Interest income	20	4,237.41	3,807.71
Rental income		2.47	5.10
Fee and commission income	21	24,744.61	24,646.59
Sale of services	22	883.75	1,220.53
Net gain on fair value changes	23	431.10	916.84
Other operating income	24	235.36	188.52
Revenue from operations		30,534.70	30,785.29
2 Other income	25	102.62	191.92
3 Total income (1+2)		30,637.32	30,977.21
4 Expenses			
Finance costs	26	288.79	248.02
Fee and commission expense	27	4,518.76	4,913.46
Impairment of financial instruments	28	73.95	159.19
Employee benefit expenses	29	10,983.44	11,521.98
Depreciation, amortisation and impairment	30	2,495.66	2,088.59
Other expenses	31	4,865.76	5,514.89
Total expenses		23,226.36	24,446.13
5 Profit before exceptional items and tax (3-4)		7,410.96	6,531.08
6 Exceptional items	32	(448.58)	(750.00)
7 Profit before tax (5+6)		6,962.38	5,781.08
8 Tax expense	35		
Current tax		2,161.70	2,310.81
Current tax relating to previous years		(278.92)	556.51
Deferred tax		(11.14)	(81.64)
Total tax expenses		1,871.64	2,785.68
9 Profit after tax (7-8)		5,090.74	2,995.40
10 Share in profit / (loss) of associate and joint venture		(32.45)	(223.55)
11 Profit for the year (9+10)		5,058.29	2,771.85
12 Other comprehensive income			
Items that will not be reclassified to profit or loss			
i) Remeasurement of post employment benefit obligations		(19.23)	19.18
ii) Income tax (charge)/ credit relating to these items		4.97	(6.29)
Items that will be reclassified to profit or loss			
i) Exchange differences in translating financial statements of foreign operations		11.87	9.47
Total other comprehensive income		(2.39)	22.36
13 Total comprehensive income (11+12)		5,055.90	2,794.21

Consolidated Statement of profit and loss

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
14 Profit for the year attributable to:			
Owners of the company		4,703.12	2,310.32
Non-controlling interest		355.17	461.53
		5,058.29	2,771.85
15 Other comprehensive income attributable to:			
Owners of the company		(9.98)	12.31
Non-controlling interest		7.59	10.05
		(2.39)	22.36
16 Total comprehensive income attributable to:			
Owners of the company		4,693.14	2,322.63
Non-controlling interest		362.76	471.58
		5,055.90	2,794.21
17 Earnings per share (Face value ₹ 1/- per equity share)	33		
Basic (₹)		1.97	0.97
Diluted (₹)		1.97	0.96

Significant accounting policies

2

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Consolidated Statement of cash flows

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit before tax	6,962.38	5,781.08
Adjustments for		
Depreciation, amortisation and impairment	2,495.66	2,088.59
Share based payments to employees	53.66	387.93
Finance costs	288.79	248.02
Net gain on fair value changes	(431.10)	(916.84)
Profit on sale of property, plant and equipment	(16.05)	(20.99)
Loss / (gain) on fair value of forward exchange contracts	5.43	(2.24)
Impairment loss on financial assets	72.10	56.10
Unclaimed liabilities written back	(19.81)	(5.88)
Impairment on investment in joint venture	448.58	750.00
	9,859.64	8,365.77
Change in operating assets and liabilities		
(Increase)/ decrease in loans	3,638.66	(4,148.19)
(Increase)/ decrease in other financial assets	10,161.78	(2,845.81)
(Increase)/ decrease in other non-financial assets	(353.84)	(62.89)
(Increase)/ decrease in trade receivables	5,410.58	(522.48)
Increase/ (decrease) in provisions and other liabilities	1,995.75	6,201.34
Increase/ (decrease) in trade payables	187.39	(213.06)
(Increase)/ decrease in other bank balances	(15,067.79)	(6,743.46)
Cash generated from operations	15,832.17	31.22
Less : Income taxes paid (net of refunds)	(2,151.83)	(2,447.73)
Net cash from / (used in) operating activities (A)	13,680.34	(2,416.51)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,236.16)	(2,463.80)
Proceeds from sale of property, plant and equipment	42.68	63.63
(Purchase)/ disposal proceeds of investments	(1,847.52)	12,296.48
Net cash from / (used in) investing activities (B)	(3,041.00)	9,896.31

Consolidated Statement of cash flows

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from financing activities		
Proceeds from issue of equity share capital	1.81	133.67
Dividends paid	(5,943.27)	(4,746.17)
Tax on dividends paid	(1,224.58)	(978.80)
Interest paid on lease liabilities	(240.04)	(177.92)
Repayment of lease liabilities	(752.89)	(515.78)
Finance costs	(48.76)	(70.09)
Net cash used in financing activities (C)	(8,207.73)	(6,355.09)
Net increase in cash and cash equivalents (A+B+C)	2,431.61	1,124.71
Cash and cash equivalents at the beginning of the year	11,161.30	10,028.50
Add: Foreign currency translation adjustments	7.21	8.09
Cash and cash equivalents at end of the year	13,600.12	11,161.30
Components of cash and cash equivalents		
Cash on hand	11.31	12.65
Balances with banks in current accounts	13,588.81	11,148.65
Total cash and cash equivalents (Refer note 3)	13,600.12	11,161.30
Significant accounting policies (Refer note 2)		

The notes referred to above form an integral part of the consolidated financial statements

Note:

- The above cash flow statement has been prepared under the 'Indirect method' prescribed in Ind AS 7 "Cash Flow Statements".

As per our report of even date attached.
 for **B S R & Associates LLP**
 Chartered Accountants
 Firm registration number: 116231W/W-100024

Rohit Alexander
 Partner
 Membership No. 222515
 Place : Bengaluru
 Date : 12 June 2020

for and on behalf of the Board of Directors of
GeoJit Financial Services Limited
 CIN : L67120KL1994PLC008403

R. Bupathy
 Chairman
 DIN : 00022911
 Place : Chennai
 Date : 12 June 2020

Sanjeev Kumar Rajan
 Chief Financial Officer
 Place : Kochi
 Date : 12 June 2020

C. J. George
 Managing Director
 DIN : 00003132
 Place : Kochi
 Date : 12 June 2020

Liju K. Johnson
 Company Secretary
 Membership No. A21438
 Place : Kochi
 Date : 12 June 2020

Consolidated Statement of changes in equity

for the year ended 31 March 2020

A. EQUITY SHARE CAPITAL

(All amounts in Indian Rupees lakhs)

	Note	Amount
Issued, subscribed and fully paid up:		
Balance as at 1 April 2018		2,378.70
Changes in equity share capital during the year - fresh allotment of shares	18	4.25
Balance at the end of 31 March 2019		2,382.95
Changes in equity share capital during the year - fresh allotment of shares	18	0.05
Balance at the end of 31 March 2020		2,383.00

B. OTHER EQUITY (REFER NOTE 19)

(All amounts in Indian Rupees lakhs)

Particulars	Reserves and surplus						Components of Other comprehensive income		Total other equity	Non-controlling interests	Total	
	Share application money pending allotment	Share options outstanding account	Securities premium	Statutory reserve	General reserve	Retained earnings	Other reserves	Foreign currency translation reserve				Remeasurement of net defined benefit plan
Balance as at 1 April 2018	2.20	136.95	20,982.66	248.58	4,000.87	23,747.89	4,217.83	22.00	-	53,358.98	5,498.96	58,857.94
Profit for the year	-	-	-	-	-	2,310.32	-	-	-	2,310.32	461.53	2,771.85
Other comprehensive income	-	-	-	-	-	-	-	(1.70)	14.01	12.31	10.05	22.36
Total comprehensive income for the year	2.20	136.95	20,982.66	248.58	4,000.87	26,058.21	4,217.83	20.30	14.01	55,681.61	5,970.54	61,652.15
Transfer to retained earnings	-	-	-	-	-	14.01	-	-	(14.01)	-	-	-
Transfer to statutory reserve	-	-	-	5.27	-	(5.27)	-	-	-	-	-	-
Dividend paid on equity shares (including tax thereon)	-	-	-	-	-	(5,740.59)	-	-	-	(5,740.59)	-	(5,740.59)
Securities premium on exercise of ESOP	-	-	133.75	-	-	-	-	-	-	133.75	-	133.75
Share based payments expense	-	387.93	-	-	-	-	-	-	-	387.93	-	387.93
Share application money received during the year	133.67	-	-	-	-	-	-	-	-	133.67	-	133.67
Share application money pending allotment transferred	(135.87)	(2.13)	-	-	-	-	-	-	-	(138.00)	-	(138.00)
Balance as at 31 March 2019	-	522.75	21,116.41	253.85	4,000.87	20,326.36	4,217.83	20.30	-	50,458.37	5,970.54	56,428.91

Consolidated Statement of changes in equity *(Continued)*

for the year ended 31 March 2020

(All amounts in Indian Rupees lakhs)

Particulars	Reserves and surplus					Components of Other comprehensive income			Total other equity	Non-controlling interests	Total	
	Share application money pending allotment	Share options outstanding account	Securities premium	Statutory reserve	General reserve	Retained earnings	Other reserves	Foreign currency translation reserve				Remeasurement of net defined benefit plan
Balance as at 31 March 2019	-	522.75	21,116.41	253.85	4,000.87	20,326.36	4,217.83	20.30	-	50,458.37	5,970.54	56,428.91
Profit for the year	-	-	-	-	-	4,703.12	-	-	-	4,703.12	355.17	5,058.29
Other comprehensive income	-	-	-	-	-	-	-	2.62	(12.60)	(9.98)	7.59	(2.39)
Total comprehensive income for the year	-	522.75	21,116.41	253.85	4,000.87	25,029.48	4,217.83	22.92	(12.60)	55,151.51	6,333.30	61,484.81
Transfer to retained earnings	-	-	-	-	-	(12.60)	-	-	12.60	-	-	-
Dividend paid on equity shares (including tax thereon)	-	-	-	-	-	(7,182.06)	-	-	-	(7,182.06)	-	(7,182.06)
Securities premium on exercise of ESOP	-	-	1.76	-	-	-	-	-	-	1.76	-	1.76
Share based payments expense	-	53.66	-	-	-	-	-	-	-	53.66	-	53.66
Transfer from share options outstanding account to retained earnings (towards options lapsed after vesting)	-	(19.60)	-	-	-	19.60	-	-	-	-	-	-
Share application money received during the year	1.81	-	-	-	-	-	-	-	-	1.81	-	1.81
Share application money pending allotment transferred	(1.81)	-	-	-	-	-	-	-	-	(1.81)	-	(1.81)
Balance as at 31 March 2020	-	556.81	21,118.17	253.85	4,000.87	17,854.42	4,217.83	22.92	-	48,024.87	6,333.30	54,358.17
Significant accounting policies (Refer note 2)												

Significant accounting policies (Refer note 2)

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached.

for **B S R & Associates LLP**
 Chartered Accountants
 Firm registration number: 116231W/W-100024

Rohit Alexander

Partner
 Membership No. 222515
 Place : Bengaluru
 Date : 12 June 2020

R. Bupathy

Chairman
 DIN : 00022911
 Place : Chennai
 Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer
 Place : Kochi
 Date : 12 June 2020

C. J. George

Managing Director
 DIN : 00003132
 Place : Kochi
 Date : 12 June 2020

Liju K. Johnson

Company Secretary
 Membership No. A21438
 Place : Kochi
 Date : 12 June 2020

Notes

forming part of the consolidated financial statements

1 CORPORATE INFORMATION

Geojit Financial Services Limited ('the Company') had its origin in the year 1987 as partnership firm of Mr. C.J. George and his associates. In the year 1994, the firm was converted into a Company with the objective of providing technically superior trading platform for the investor community in Kerala. Over the years, the Company has spread its operations across the country through branch and franchisee network. In 2007, BNP Paribas SA became a major shareholder in the Company. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange. The Company, its subsidiaries and jointly controlled entities, located within and outside India, hereinafter referred to as the 'Group', offers complete spectrum of financial services including online broking for equities, commodities, derivatives and currency futures, custody accounts, financial products distribution, portfolio management services, margin funding, etc. The Group's operations outside the country are located in Oman, Kuwait, UAE and Saudi Arabia.

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, with effect from 1 April 2019 the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 Firsttime Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of the financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2019 and 1 April 2018 being the transition date and of the total comprehensive income for the year ended 31 March 2019.

These financial statements have been prepared in accordance with Ind AS 1- Presentation of Financial Statements as notified under the

Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements are the Group's first Ind AS consolidated financial statements. The Group's financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest lakh, except when otherwise indicated.

The consolidated financial statements for the year ended 31 March 2020 are being authorised for issue in accordance with a resolution of the directors on 12 June 2020.

(ii) Basis of consolidation

a) Subsidiaries

The consolidated financial statements has comprised financial statements of the Company and its subsidiaries, over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions within the Group are eliminated. Unrealised losses are also eliminated unless the transaction

Notes

forming part of the consolidated financial statements

provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of profit and loss including Other comprehensive income (OCI) is attributable to the equity holders of the holding Company and to the non-controlling interest basis the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

b) Associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in associates and joint ventures are accounted for using the equity method of accounting (see (c) below), after initially being recognised at cost.

c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals

or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related

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assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in an associate is reduced but

joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Details of subsidiaries

Following subsidiary companies, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary as at		
				31 March 2020	31 March 2019	1 April 2018
Geojit Investment Services Limited*	Subsidiary company	India	Geojit Financial Services Limited	100%	100%	100%
Geojit Technologies Private Limited	Subsidiary company	India	Geojit Financial Services Limited	65%	65%	65%
Geojit Techloan Private Limited	Subsidiary company	India	Geojit Financial Services Limited	100%	100%	-
Geojit Credits Private Limited	Subsidiary company	India	Geojit Financial Services Limited	67.75%	67.75%	67.75%
			Geojit Investment Services Limited	26.38%	26.38%	-
			Geojit Financial Management Services Private Limited	-	-	26.38%
Geojit Financial Management Services Private Limited*	Subsidiary company	India	Geojit Financial Services Limited	-	-	100%
Geojit Financial Distribution Private Limited*	Subsidiary company	India	Geojit Investment Services Limited	-	-	100%
Qurum Business Group Geojit Securities LLC	Subsidiary company	Oman	Geojit Financial Services Limited	51%	51%	51%
Barjeel Geojit Financial Services LLC (Formerly known as Barjeel Geojit Securities LLC)	Jointly controlled entity	United Arab Emirates	Geojit Financial Services Limited	30%	30%	30%
Aloula Geojit Capital Company **	Jointly controlled entity	Saudi Arabia	Geojit Financial Services Limited	28%	28%	28%
BBK Geojit Securities KSC	Associate	Kuwait	Geojit Financial Services Limited	30%	30%	30%

* Refer note 44

** Loss of significant influence with effect from 1 July 2019

The principal place of business of the entities mentioned above is the same as the respective country of incorporation.

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(iii) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as at the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Group makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are included in the notes:

- Note 8 - Valuation of investments
- Note 38 - Lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the following notes:

- Note 10 and 11 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 33 - Recognition and measurement of provisions and contingencies: key

assumptions about the likelihood and magnitude of an outflow of resources;

- Note 35 - Recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;
- Note 36 - Employee share based payment expenses
- Note 37 - Measurement of defined benefit obligations: key actuarial assumptions;

(iv) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit liability	Fair value of plan asset less present value of defined benefit obligations

(v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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Further information about the assumptions made in measuring fair values is included in the following notes:

- Share-based payment arrangements
- Financial instruments
- Fair value of property, plant and equipment and intangible assets

(vi) First-time adoption of Ind AS – mandatory exceptions and optional exemptions

Overall Principle :

The Group has prepared the opening balance sheet as per Ind AS as of 1 April 2018 (“the transition date”) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Group as mentioned below:

Mandatory exceptions

Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the standalone financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried at amortised cost
- Impairment of financial assets based on the expected credit loss model
- Fair valuation of financial instruments carried at FVTPL

Classification ,measurement and impairment of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

Optional exemptions

Business combinations

The Group has elected to apply Ind AS 103 from the transition date. Business combinations occurring prior to the transition date have not been restated.

Share based payments

The Group has availed the exemption of not applying Ind AS 102 Share-based payment to options already vested as on the transition date.

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Property, plant and equipment and intangible assets

The Group has elected to measure property, plant and equipment and intangible assets at its Previous GAAP carrying amount. Accordingly the Company has used Previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS for Property, plant and equipment, intangible assets and investment property.

Investment in subsidiaries and associates

The Group has elected to carry its investment in subsidiaries and associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

Fair Value measurement of Financial assets and liabilities

The Group has applied the requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition.

Leases

The Group has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on date of transition to Ind AS. For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

(vii) Revenue recognition

The Group is engaged in the business of retail and institutional broking and distribution of financial products. In accordance with Ind AS 115, Revenue from Contracts with Customers, the revenue is accounted in the following manner for each head:

a) Brokerage fee income

Brokerage income is recognised on the trade date of transaction upon confirmation of the transaction by the stock exchange. The services are point in time in nature.

b) Income from depository services and portfolio management services

Income from depository services, penal charges and portfolio management services are recognised on the basis of agreements entered into with clients and when the right to receive the income is established. It is recognised at the point in time for transaction charges and others are recognised over the period of service as applicable.

c) Income from distribution of financial products

Commission income from financial products distribution is recognised on the basis of agreements entered into with principals and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied. In case of continuing services, the same is recognised over a period of time.

d) Interest income and dividend income and others

Interest income is recognised using the effective interest rate method. Interest income from margin funding business is recognised on loans given to clients on time proportion basis. Dividend income is recognised in the statement of profit or loss on the date that the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. Shared services cost is recognised based on agreements entered into with the parties.

e) Software development and commission income

Software development revenue is recognised on completion of different stages of software development and acceptance by clients. Revenue from annual maintenance contracts are

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recognised on time proportion basis. Commission income from insurance business is recognised on completion of policy formalities in all aspects based on intimation from the principal.

(viii) Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of property, plant and equipment and intangible assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Advances paid towards the acquisition of property, plant and equipment and intangible assets, outstanding at each balance sheet date are shown under advances for capital goods. The cost of the property, plant and equipment not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on property, plant and equipment of the Company and its Indian subsidiaries has been provided under the straight-line method as per the useful life as estimated by management.

Management estimates the useful life for the tangible assets as under:

Class of assets	Useful life
Buildings *	40 years
Furniture and fixtures	10 years
Furniture and fixtures in leasehold premises *	5 years
Computers and accessories	3 years
Computers and accessories - Data centre equipments *	5 years
Office equipments	5 years
Electrical equipments *	5 years
Vehicles *	5 years
Plant and machinery	15 years

* For these class of assets, the Company has assessed the useful life based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Improvements to leasehold premises are amortised over the lease term or useful lives of the assets, whichever is lower. If the premises are vacated before the expiry of above term,

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the un-amortised costs are fully written off in the year of vacation.

Intangible assets are amortised under straight-line method over the estimated useful life of 5 years or 3 years or license period whichever is lower. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

Depreciation on the property, plant and equipment of the Company's foreign subsidiary, jointly controlled entities and associate has been provided under the straight-line method as per the estimated useful life of such assets as follows:

Class of assets	Useful life
Furniture, fixtures and Electrical fittings	4 to 10 years
Leasehold improvements	10 years
Office equipments	4 to 6.67 years
Computers	3 to 8 years
Vehicles	4 years
Computer software	3 years
License fees	5 years

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

(ix) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at the lower of cost and fair value. Cost of

investments include acquisition charges such as brokerage, fees and duties.

(x) Financial instruments

The Group recognises all the financial assets and liabilities at its fair value on initial recognition; In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

- a) Amortised cost:** The Group classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.
- b) Fair value through other comprehensive income (FVOCI):** The Group classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Group's business model is achieved by both collecting contractual cash flow and selling financial assets. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.
- c) Fair value through profit or loss (FVTPL):** The financial assets are classified as FVTPL if these do not meet the criteria for

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classifying at amortised cost or FVOCI. Further, in certain cases to eliminate or significantly reduce a measurement or recognition inconsistency (accounting mismatch), the Group irrevocably designates certain financial instruments at FVTPL at initial recognition. In case of financial assets measured at FVTPL, changes in fair value are recognised in profit or loss.

Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

Based on the Group's business model for managing the investments, the Group has classified its investments at FVTPL.

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

d) Impairment of financial assets: In accordance with Ind AS 109, the Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Group recognises lifetime expected losses for all contract assets including loan and trade receivables that do not constitute a financing transaction. At each reporting date, the Group assesses whether the loans have been impaired. The Group is exposed to credit risk when the customer defaults on his contractual obligations.

(xi) Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is

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provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) **Provident fund**

The Group's contribution to provident fund scheme is considered as defined contribution plan, and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

c) **Gratuity**

The Group pays gratuity, a defined benefit plan, to its employees who retire or resign after a minimum period of five years of continuous service.

A defined benefit plan is a post employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employee has earned in exchange of their service in the current and prior periods and discounted back to the current valuation date to arrive at the present value of the defined benefit obligation. The defined benefit obligation is deducted from the fair value of plan assets, to arrive at the net asset / (liability), which need to be provided for in the books of accounts of the Group.

As required by the Ind AS 19, the discount rate used to arrive at the present value of the defined benefit obligations is based on the Indian Government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a net asset position, the recognised asset is limited to the present value of economic benefits available in form of reductions in future contributions.

Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations, the return on plan assets in excess of what has been estimated and the effect of asset ceiling, if any, in case of over funded plans. The Group recognises these items of remeasurements in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in the statement of profit and loss .

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognised immediately in the statement of profit or loss when the plan amendment or when a curtailment or settlement occurs.

d) **Compensated absences**

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase the entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial losses/gains are recognised in the statement of profit and loss as and when they are incurred.

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e) Employee stock option scheme

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straightline basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

(xii) Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(xiii) Foreign currency transactions and translations

Initial recognition

Company: Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Net investment in non-integral foreign operations: Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Non-integral foreign operations: Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Treatment of exchange differences

Company: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the consolidated statement of profit and loss

Net investment in non-integral foreign operations: The exchange differences on restatement of long-term receivables/payables from / to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "foreign currency translation reserve" until disposal / recovery of the net investment, in which case the accumulated balance in "foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal / recovery is recognised.

Non-integral foreign operations: The exchange differences on translation of balances relating to non-integral foreign operations are accumulated in a "foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

Measurement of foreign currency monetary items at the balance sheet date

Company: Foreign currency monetary items outstanding at the balance sheet date are restated at the closing exchange rates on that date. Non-monetary items are carried at historical cost.

Net investment in non-integral foreign operations: Foreign currency monetary items of the Group's net investment in non-integral foreign operations outstanding at the balance sheet date are restated at the closing exchange rates on that date.

Non-integral foreign operations: All assets and liabilities of non-integral foreign operations are translated at the closing exchange rates on that date.

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Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of profit and loss in the reporting period in which the exchange rates change.

(xiv) Leases

The Company has adopted Ind AS 116 “Leases” as notified by MCA. The entity has elected the “modified retrospective” approach from 1 April 2018, the transition date, for adopting Ind AS 116 in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards.

a) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

b) Measurement of leases as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted

for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying

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amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116, Leases, to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(xv) Income tax

The income tax expense comprises current and deferred tax incurred by the Group. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity or OCI, in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises. Current tax is the expected tax payable/receivable on the taxable income or loss for the period, using tax rates enacted for the reporting period and any adjustment to tax payable/receivable in respect of previous years.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there

is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the consolidated balance sheet when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. The tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

Additional taxes that arise from the distribution of dividends by the Group are recognised directly in equity at the same time as the liability to pay the related dividend is recognised.

(xvi) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and short term investments with an original maturity of three months or less, and accrued interest thereon.

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(xvii) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

(xviii) Impairment of non financial assets

The Group assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

(xix) Provisions

Provision is recognised when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates

required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

(xx) Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. The existence of a contingent liability is disclosed in the notes to the financial statements.

Contingent assets are neither recognised nor disclosed.

(xxi) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xxii) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

Notes

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3 CASH AND CASH EQUIVALENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Cash-on-hand	11.31	12.65	13.65
Balances with banks			
(i) In current account			
Clients	12,678.89	10,623.94	9,304.77
Others	909.92	524.71	710.08
	13,600.12	11,161.30	10,028.50

4 OTHER BANK BALANCES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Deposits account	5,750.79	5,102.11	1,528.00
Earmarked accounts			
Deposits account	31,634.04	17,229.15	14,075.41
Unpaid dividend account	107.48	93.27	77.65
	37,492.31	22,424.53	15,681.06
Balance with banks in earmarked deposit accounts include fixed deposits which have an original maturity of more than 12 months.	13,652.29	4,998.56	3,316.01
Balance with banks in earmarked deposit accounts include fixed deposits which are:			
Maintained as security margin for guarantees issued by banks in favour of stock exchanges / clearing corporation	5,079.42	4,752.53	4,657.71
Pledged with banks for availing overdraft facility. The balance outstanding in the overdraft facility as at the balance sheet date is ₹ Nil (31 March 2019: ₹ Nil; 1 April 2018: ₹ Nil)	12,772.92	12,039.25	9,039.25
Given to stock exchanges / clearing corporation as security margin	13,618.75	258.75	252.66
Pledged with banks for availing other bank guarantees facility	38.82	37.16	36.38
Deposited in banks against unsettled client balances	123.22	140.60	88.60
Under lien in favour of Department of Commercial Taxes (KVAT)	0.91	0.86	0.81

5 DERIVATIVE FINANCIAL INSTRUMENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Forward exchange contracts	-	1.62	-
	-	1.62	-

Notes

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6 TRADE RECEIVABLES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Receivable considered good - secured	4,470.03	4,705.41	2,280.43
Receivable considered good - unsecured	3,140.49	8,375.81	10,334.41
Receivable - credit impaired	1,165.61	1,094.55	1,024.15
	8,776.13	14,175.77	13,638.99
Less : Impairment loss allowance	(1,165.61)	(1,094.55)	(1,024.15)
	7,610.52	13,081.22	12,614.84

7 LOANS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
At amortised cost			
<i>Secured, considered good</i>			
Loans and advances to clients (margin funding loans)	2,114.91	5,781.25	1,624.17
<i>Unsecured, considered good</i>			
Loans and advances to related parties	34.74	12.20	10.81
Personal loan to staff	23.41	30.23	40.52
Credit impaired	12,663.24	12,651.27	12,747.35
	14,836.30	18,474.95	14,422.85
Less : Impairment loss allowance (Refer note 45)	(12,663.24)	(12,651.27)	(12,747.35)
Total loans	2,173.06	5,823.68	1,675.50

8 INVESTMENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Equity accounted investees - at cost (Refer note 46)			
Joint Ventures			
Barjeel Geojit Securities LLC, United Arab Emirates 1,500 (31 March 2019: 1,500; 1 April 2018: 1,500) equity shares of Arab Emirates Dirham 1,000/- each, fully paid-up	568.95	734.40	818.30
Aloula Geojit Capital Company, Saudi Arabia 1,400,000 (31 March 2019: 1,400,000; 1 April 2018: 1,456,000) equity shares of Saudi Riyals (SR) 10/- each, fully paid-up	1,198.58	1,347.71	1,758.58
Less: Impairment in investments	(1,198.58)	(750.00)	-
Net	-	597.71	1,758.58

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8 INVESTMENTS (CONTD..)

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Associate			
BBK Geojit Financial Brokerage Company K.S.C. 1,500,000 (31 March 2019: 1,500,000; 1 April 2018: 1,500,000) equity shares of Kuwaiti Dinar 0.10/- each, fully paid-up	123.22	128.09	134.09
	692.17	1,460.20	2,710.97
Others			
Fair valued through profit or loss (FVTPL)			
Investment in equity instruments (unquoted)			
Muvattupuzha Co-operative Super Speciality Hospital Limited 400 (31 March 2019: 400; 1 April 2018: 400) 'C' class shares of ₹ 500/- each, fully paid-up	2.00	2.00	2.00
Cochin Stock Exchange Limited 100 (31 March 2019: 100; 1 April 2018: 100) equity shares of ₹ 10/- each, fully paid-up	0.01	0.01	0.01
First Commodity Exchange of India Limited 5 (31 March 2019: 5; 1 April 2018: 5) equity shares of ₹ 10,000/- each, fully paid-up	0.75	0.75	0.75
Kerala Infrastructure Fund Management Limited 233,051 (31 March 2019: Nil; 1 April 2018: Nil) equity shares of ₹ 10/- each, fully paid-up	23.31	-	-
Investments in government securities - quoted:			
10.71% Govt of India Securities - 2016	-	-	0.03
Investments in mutual funds - unquoted	9,743.22	7,200.90	18,303.29
	9,769.29	7,203.66	18,306.08
	10,461.46	8,663.86	21,017.05
Aggregate book value of unquoted investments	718.24	1,462.96	2,713.73
Aggregate book value of quoted investments	9,743.22	7,200.90	18,303.32
Investment outside India	692.17	1,460.20	2,710.97
Investment in India	9,769.29	7,203.66	18,306.08

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9 OTHER FINANCIAL ASSETS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<i>Unsecured, considered good</i>			
Deposits and margins given to stock exchanges / depositories / clearing corporation	6,252.04	9,425.82	12,027.02
Security deposits	736.42	738.20	756.75
Interest accrued on fixed deposits	593.60	360.94	277.87
Interest accrued on other deposits	-	-	182.96
Receivable from stock exchanges	197.45	7,402.20	1,873.66
Advances to employees	23.01	29.38	36.00
Unbilled revenue	77.92	85.68	42.15
<i>Unsecured, considered doubtful</i>			
Advances to employees	29.60	3.87	-
Rent and other deposits	22.15	43.82	42.52
	7,932.19	18,089.91	15,238.93
Less: Impairment loss allowance	(51.75)	(47.69)	(42.52)
	7,880.44	18,042.22	15,196.41

Notes

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10 PROPERTY, PLANT AND EQUIPMENT

(All amounts in Indian Rupees lakhs)

	Land-freehold	Buildings	Plant and machinery	Electrical installation	Office equipments	Furniture & fixtures	Vehicles	Computers	Leasehold improvements	Total
Deemed cost as at 1 April 2018	684.25	1,434.45	619.41	6.91	339.49	457.84	282.46	974.84	272.55	5,072.20
Additions	-	-	-	10.73	280.95	199.47	18.53	580.30	438.65	1,528.63
Disposals/ reclassifications	-	-	-	(0.06)	(15.05)	(58.89)	(11.66)	(3.73)	(37.06)	(126.45)
Effect of foreign currency exchange differences	-	-	-	-	0.01	0.01	1.62	0.43	-	2.07
Cost as at 31 March 2019	684.25	1,434.45	619.41	17.58	605.40	598.43	290.95	1,551.84	674.14	6,476.45
Additions	-	54.06	-	6.86	90.76	118.37	47.71	238.97	272.29	829.02
Disposals/ reclassifications	-	-	-	(0.07)	(8.32)	(10.17)	(32.03)	(19.67)	(5.38)	(75.64)
Effect of foreign currency exchange differences	-	-	-	-	0.14	2.97	2.65	0.79	-	6.55
Cost as at 31 March 2020	684.25	1,488.51	619.41	24.37	687.98	709.60	309.28	1,771.93	941.05	7,236.38
Depreciation/ amortisation										
Charge for the year	-	41.43	63.43	3.08	156.79	129.11	80.89	474.83	123.59	1,073.15
Disposals	-	-	-	(0.01)	(9.70)	(40.88)	(4.54)	(3.53)	(25.15)	(83.81)
Effect of foreign currency exchange differences	-	-	-	-	0.01	0.01	0.57	0.12	-	0.71
As at 31 March 2019	-	41.43	63.43	3.07	147.10	88.24	76.92	471.42	98.44	990.05
Charge for the year	-	42.22	63.41	5.01	162.37	156.41	75.69	471.79	214.90	1,191.80
Disposals	-	-	-	(0.03)	(5.99)	(5.27)	(23.79)	(12.98)	(2.97)	(51.03)
Effect of foreign currency exchange differences	-	-	-	-	0.02	0.31	1.33	0.34	-	2.00
As at 31 March 2020	-	83.65	126.84	8.05	303.50	239.69	130.15	930.57	310.37	2,132.82
Net block										
As at 1 April 2018	684.25	1,434.45	619.41	6.91	339.49	457.84	282.46	974.84	272.55	5,072.20
As at 31 March 2019	684.25	1,393.02	555.98	14.51	458.30	510.19	214.03	1,080.42	575.70	5,486.40
As at 31 March 2020	684.25	1,404.86	492.57	16.32	384.48	469.91	179.13	841.36	630.68	5,103.56

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11 OTHER INTANGIBLE ASSETS

(All amounts in Indian Rupees lakhs)

	Computer software	Client acquisition	Total
Deemed cost as at 1 April 2018	757.94	-	757.94
Additions	297.64	716.34	1,013.98
Disposals/ reclassifications	-	-	-
Effect of foreign currency exchange differences	0.61	-	0.61
Cost as at 31 March 2019	1,056.19	716.34	1,772.53
Additions	121.35	-	121.35
Disposals/ reclassifications	(2.19)	-	(2.19)
Effect of foreign currency exchange differences	1.09	-	1.09
Cost as at 31 March 2020	1,176.44	716.34	1,892.78
Accumulated amortisation			
Charge for the year	283.15	108.33	391.48
Disposals	-	-	-
Effect of foreign currency exchange differences	0.61	-	0.61
As at 31 March 2019	283.76	108.33	392.09
Charge for the year	314.84	143.27	458.11
Disposals	(0.17)	-	(0.17)
Effect of foreign currency exchange differences	0.99	-	0.99
As at 31 March 2020	599.42	251.60	851.02
Net block			
As at 1 April 2018	757.94	-	757.94
As at 31 March 2019	772.43	608.01	1,380.44
As at 31 March 2020	577.02	464.74	1,041.76

12 OTHER NON-FINANCIAL ASSETS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<i>Secured, considered good</i>			
Capital advance	343.33	219.48	118.87
Prepaid expenses	609.13	430.58	362.48
Other advances	62.08	64.81	81.69
Balances with government authorities	261.47	17.83	53.83
Advances recoverable in cash or kind	6.64	17.57	2.41
<i>Unsecured, considered doubtful</i>			
Other advances	93.79	93.79	15.11
	1,376.44	844.06	634.39
Less: Impairment loss allowance	(93.79)	(93.79)	(15.11)
	1,282.65	750.27	619.28

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13 DERIVATIVE FINANCIAL INSTRUMENTS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Forward exchange contracts	3.82	-	0.62
	3.82	-	0.62

14 TRADE PAYABLES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a. Total outstanding dues of micro and small enterprises	8.59	27.42	-
b. Total outstanding dues of creditors other than micro and small enterprises	1,209.20	1,002.96	1,243.45
	1,217.79	1,030.38	1,243.45
Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006			
(i) Principal amount remaining unpaid to any supplier as at the end of the year.	8.59	27.42	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-	-
(iii) The amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year.	-	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

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15 OTHER FINANCIAL LIABILITIES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unclaimed dividends	107.48	93.27	77.65
Security deposits from business associates	90.56	90.60	114.38
Rent deposits	1.00	1.22	14.00
Payable to stock exchanges	1,657.64	594.77	1,093.37
Client balances	26,346.31	25,873.51	18,892.69
Other accrued liabilities	547.70	466.04	501.10
	28,750.69	27,119.41	20,693.19

16 PROVISIONS

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Provision for employee benefits			
Gratuity	119.58	35.63	251.92
Compensated absences	166.26	134.80	123.91
Provision for warranty (Refer note 45)	-	-	7.01
Provision against standard assets (Refer note 45)	2.01	1.58	1.53
	287.85	172.01	384.37

17 OTHER NON-FINANCIAL LIABILITIES

(All amounts in Indian Rupees lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Statutory dues payable	634.48	553.33	475.99
Dues to creditors for capital goods	39.89	166.94	25.90
Accrued salaries and benefits	789.02	593.13	684.05
Advance from customers	14.61	11.16	10.68
Unearned income	14.02	12.46	15.45
	1,492.02	1,337.02	1,212.07

18 EQUITY SHARE CAPITAL

(All amounts in Indian Rupees lakhs)

Equity share capital	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised:						
Equity shares of ₹ 1 each	300,000,000	3,000.00	300,000,000	3,000.00	300,000,000	3,000.00
	300,000,000	3,000.00	300,000,000	3,000.00	300,000,000	3,000.00
Issued, subscribed and fully paid-up:						
Equity shares of ₹ 1 each	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70
	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70

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18 EQUITY SHARE CAPITAL (CONTD..)

(a) Reconciliation of number of equity shares subscribed

(All amounts in Indian Rupees lakhs)

Equity share capital	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	238,295,401	2,382.95	237,869,523	2,378.70	237,869,523	2,378.70
Add: Issued during the year	4,359	0.05	425,878	4.25	-	-
Balance at the end of the year	238,299,760	2,383.00	238,295,401	2,382.95	237,869,523	2,378.70

(b) Shareholders holding more than 5% of the total share capital

(All amounts in Indian Rupees lakhs)

Class of shares / name of the shareholder	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 1 each						
BNP Paribas SA	76,688,959	32.18	76,688,959	32.18	76,688,959	32.24
C. J. George	43,313,236	18.18	43,313,236	18.18	43,279,636	18.19
Kerala State Industrial Development Corporation	20,000,000	8.39	20,000,000	8.39	20,000,000	8.41
Rakesh Jhunjhunwala	18,037,500	7.57	18,037,500	7.57	18,037,500	7.58

(c) Rights, preferences and restrictions in respect of equity shares issued by the Company

The company has only one class of equity shares having a par value of ₹ 1 each. The equity shares of the company having par value of ₹ 1 rank pari-passu in all respects including voting rights and entitlement to dividend. The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (d) As at 31 March 2020, 10,547,274 equity shares (31 March 2019: 11,684,603 equity shares; 1 April 2018: 10,009,083 equity shares) of ₹ 1/- each are reserved towards outstanding employee stock options granted.

(e) Capital management:

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt. The Company is not subject to any externally imposed capital requirements. The company does not have any borrowings outstanding as at the respective year end.

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19 OTHER EQUITY

Description of the nature and purpose of other equity :

Share application money pending allotment

The share application money was received pursuant to the exercise of options granted to employees under the employee stock option plans. The Company has sufficient authorised share capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Company.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve

General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year, then the total dividend distribution is less than the total distributable profits for that year. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer specified percentage of net profits to General reserve has been withdrawn. However, the amount previously transferred to the General reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Share options outstanding account

The employee stock options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

Foreign currency translation reserve

Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity (as exchange difference on translating the financial statements of foreign operations), except to the extent that the exchange differences are allocated to non controlling interests.

Statutory reserve

In accordance with local regulations, a foreign subsidiary is required to transfer a portion of profits to a non-distributable legal reserve until certain criteria are met.

Other reserves

Other reserves comprises capital reserve and capital reserve arising on consolidation. The impact of dilution of stake in Geojit Technologies Private Limited, accounted in earlier years, have been reclassified to capital reserve from securities premium, as on 1 April 2018.

Other comprehensive income

Other comprehensive income (OCI) comprises of actuarial gains and losses that are recognised in other comprehensive income.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserves.

Notes

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19 OTHER EQUITY (CONTD..)

Details of dividends proposed

(All amounts in Indian Rupees lakhs)

	31 March 2020	31 March 2019
Face value per share (Rupees)	1.00	1.00
Dividend percentage	0%	100%
Dividend per share (Rupees)	-	1.00
Dividend on equity shares	-	2,382.99
Estimated dividend distribution tax	-	489.83
Total dividend including estimated dividend distribution tax	-	2,872.82

The dividends proposed for the financial year ended 31 March 2019 have been paid to shareholders in the subsequent financial year and accounted on payment basis on approval of the members of the Company at the relevant Annual General Meeting. The Board of Directors has declared an interim dividend of ₹ 1.50/- per equity share for the year ended 31 March 2020 (31 March 2019: Nil) on 11 March 2020.

20 INTEREST INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
On financial instruments measured at amortised cost		
Interest on loans	98.03	84.86
Interest income from margin funding	893.29	766.09
Interest on term deposits with banks	2,086.57	1,388.64
Interest on delayed payments by clients	1,114.12	1,204.47
Other interest income	45.40	363.65
	4,237.41	3,807.71

21 FEE AND COMMISSION INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Income from brokerage	17,698.36	18,604.70
Income from processing fees	12.43	4.66
Income from depository services	1,695.55	1,611.80
Income from distribution of financial products	5,000.11	4,133.76
Income from portfolio management services	338.16	291.67
	24,744.61	24,646.59

22 SALE OF SERVICES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Software services	883.75	1,220.53
	883.75	1,220.53

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23 NET GAIN ON FAIR VALUE CHANGES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Total net gain / (loss) on financial instruments at FVTPL		
Net gain on sale of investments	439.61	939.12
Net loss on fair value changes	(8.51)	(22.28)
Total net gain / (loss) on financial instruments at FVTPL	431.10	916.84
Fair value changes		
- Realised	497.37	918.57
- Unrealised	(66.27)	(1.73)
	431.10	916.84

24 OTHER OPERATING INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Account opening charges	9.48	22.22
Miscellaneous income	225.88	166.30
	235.36	188.52

25 OTHER INCOME

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income on income tax refund	32.15	12.92
Net gain on foreign currency transactions	14.98	-
Gain on fair valuation of forward exchange contracts	-	2.24
Other non-operating income		
Cost recovery for shared services	0.90	5.59
Net gain on derecognition of property, plant and equipment	16.05	20.99
Bad debts recovered	3.46	1.33
Reversal of impairment loss	1.85	103.09
Unclaimed liabilities written back	19.81	5.88
Miscellaneous income	13.42	39.88
	102.62	191.92

26 FINANCE COSTS

On financial liabilities measured at amortised cost

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense on		
Temporary overdrafts availed from banks	6.56	29.44
Lease liabilities	240.04	177.92
Other borrowing cost	42.19	40.66
	288.79	248.02

Note:

Other than financial liabilities measured at amortised cost, there are no other financial liabilities measured at FVTPL.

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27 FEE AND COMMISSION EXPENSE

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Commission to business associates (equity)	2,540.57	2,822.95
Marketing fees	578.70	599.93
Marketing incentive	171.39	180.64
Commission to business associates (distribution)	452.05	474.15
Connectivity and depository charges	758.87	802.49
Others	17.18	33.30
	4,518.76	4,913.46

28 IMPAIRMENT OF FINANCIAL INSTRUMENTS

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Impairment on trade receivables	83.65	75.34
Impairment on loans	11.97	-
Impairment on other financial assets	(21.67)	83.85
	73.95	159.19

29 EMPLOYEE BENEFIT EXPENSES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	9,687.69	9,887.73
Contribution to provident and other funds	637.37	552.53
Share based payments expense	53.66	387.93
Staff training expenses	43.83	158.93
Staff welfare expenses	560.89	534.86
	10,983.44	11,521.98

30 DEPRECIATION, AMORTISATION AND IMPAIRMENT

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation on property, plant and equipment (Refer note 10)	1,191.80	1,073.15
Amortisation of intangible assets (Refer note 11)	458.11	391.48
Depreciation on right-of-use asset (Refer note 38)	845.75	623.96
	2,495.66	2,088.59

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31 OTHER EXPENSES

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Subscription	229.54	199.97
Research expense	76.15	49.19
Loss on sale of stock-in-error	53.39	39.95
Registration & renewal charges	19.42	41.70
Rent	583.05	800.80
Advertisement	415.00	658.40
Telephone	297.40	342.23
Postage	140.99	210.87
Power and fuel	444.80	472.94
Software charges	620.02	237.88
Repairs and maintenance:		
Leasehold building	42.79	46.19
Others	270.78	322.36
Printing and stationery	139.49	236.43
Travelling and conveyance	359.09	425.80
Legal and professional	234.89	249.55
Payments to auditors (Refer note (i) below)	90.36	84.13
Office expenses	196.44	200.22
Business promotion	77.35	103.16
Rates and taxes	122.04	224.58
Foreign exchange loss (net)	-	2.64
Loss on fair valuation of forward exchange contracts	5.43	-
Corporate social responsibility expenses (Refer note (ii) below)	150.64	222.58
Donations and contributions	0.10	0.60
Provision for standard assets	0.42	0.05
Insurance expense	18.31	17.79
Empanelment fees	7.50	7.50
Miscellaneous expenses	270.37	317.38
	4,865.76	5,514.89

Note:

- i) Payments to auditors include payments to statutory auditor towards (net of input tax credit, where applicable):

(All amounts in Indian Rupees lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Audit	16.50	16.50
Limited review	7.40	7.40
Tax audit	1.00	1.00
Other services	3.31	3.28
Reimbursement of expenses	1.41	1.41
	29.62	29.59

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31 OTHER EXPENSES (CONTD..)

ii) Details of amount spent towards corporate social responsibility activities

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
a) Gross amount required to be spent by the Company during the year	191.11	190.26
b) Amount spent during the year on:		
(i) Construction / acquisition of any asset - paid in cash	-	-
(ii) On purposes other than (i) above - paid in cash	150.64	222.58
(iii) Construction / acquisition of any asset - yet to be paid in cash	-	-
(iv) On purposes other than (iii) above - yet to be paid in cash	-	-

32 Exceptional item represents impairment in investment held in a jointly controlled entity.

33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i) Contingent liabilities

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a) Claims against the Group not acknowledged as debts :			
Legal suits filed against the Group / matters under arbitration	272.18	275.22	280.95
Income tax demands, pending in appeal (Refer note below)	921.28	863.25	1,449.36
Show cause notices from service tax department for which the Company has filed replies (Refer note below)	1.72	1.72	423.77
Service tax demands, pending in appeal (Refer note below)	144.89	143.95	130.92
Demand under Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (Refer note below)	-	-	1,852.37
b) Guarantees given by the Group	15.68	15.68	15.68
c) Share of group in the contingent liabilities of joint venture	62.54	70.09	66.06

Note: Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

Direct tax matters

The Company and its subsidiaries have ongoing disputes with Income Tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of tax incentives or allowances, and characterisation of fees for services received. As at 31 March 2020, the Company and its subsidiaries have contingent liability of ₹ 921.28 lakhs (31 March 2019: ₹ 863.25 lakhs; 1 April 2018: 1,449.36 lakhs) in respect of tax demands which are being contested by the Company and its subsidiaries based on the management evaluation and advice of tax consultants.

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33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (CONTD..)

The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in the jurisdictions it operates in. Management has evaluated these notices and inquiries and has concluded that the position taken by it on the above matters is tenable and hence no adjustments have been made in the financial statements.

In respect to a subsidiary company [Geojit Investment Services Limited (GISL)] an amount of ₹ 4,000 lakhs received in a prior year by way of compensation for discontinuing the business of commodities trading from BNP Paribas, the income tax authorities had raised a demand of ₹ 1,825.50 lakhs including interest, by assessing the said sum as business income. Based on the legal advice obtained, GISL had while claiming the amount as not liable to tax, as a matter of prudence, provided a sum of ₹ 1,226.78 lakhs by treating the amount received as capital gains. During the year, Hon'ble Income Tax Appellate Tribunal had confirmed the assessment. Though the company has preferred an appeal before the High Court, as a matter of prudence, a further provision has been made for the additional demand of ₹ 598.72 lakhs. GISL has remitted the demand in full and is carried under the head Income tax advance, net of provision made as above, disclosed under the Current tax assets.

Indirect tax matters

The Company and its subsidiaries have ongoing disputes with Indirect tax authorities mainly relating to treatment of characterisation and classification of certain items. As at 31 March 2020, the Company and its subsidiaries in India have demands and show cause notices amounting to ₹ 146.61 lakhs (31 March 2019: ₹ 145.67 lakhs; 1 April 2018: ₹ 554.69 lakhs) from various indirect tax authorities which are being contested by the Company and its subsidiaries based on the management evaluation and advice of tax consultants.

Other matters

The Company and its subsidiaries had disputes with the Provident Fund authorities as regards treatment of certain allowances for the computation of provident fund liability which was disclosed as contingent liability during the year ended 31 March 2018. During the previous year, the Regional Provident Fund Commissioner has dropped the above proceedings against the company.

On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. The Group has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

It is not practicable for the Group to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Group has reviewed all its pending litigations and proceedings and has made adequate provisions where required and disclosed contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

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33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) (CONTD..)

ii) Commitments

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for:			
Property, plant and equipment	429.35	655.63	209.85
Intangible assets	44.59	214.68	38.19
Acquisition of clients of Geofin Comtrade Limited (Refer note below)	-	-	810.00

Note : The Group had entered into an agreement on 1 February 2018 with Geofin Comtrade Limited to acquire its clients (without any other assets or liabilities), for a consideration of ₹ 810 lakhs (excluding applicable taxes). During the previous year the transaction has been completed and ₹ 716.34 lakhs has been capitalised as client acquisition under intangible assets.

The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

34 EARNINGS PER SHARE (EPS)

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
A. Basic earnings per share		
The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:		
i) Net profit attributable to equity share holders (basic)		
Net profit for the year, attributable to the equity share holders	4,703.12	2,310.32
ii) Weighted average number of equity shares (basic)		
Opening balance (Refer note 17)	238,295,401	237,869,523
Effect of share options exercised	3,464	310,590
Weighted average number of equity shares of ₹ 1 each for the year	238,298,865	238,180,113
Earnings per share, basic - ₹	1.97	0.97
B. Diluted earnings per share		
The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares is as follows:		
i) Net profit attributable to equity share holders (diluted)		
Net profit for the year, attributable to the equity share holders	4,703.12	2,310.32
ii) Weighted average number of equity shares (diluted)		
Weighted average number of equity shares of ₹ 1 each for the year (basic)	238,298,865	238,180,113
Effect of exercise of share options	-	2,085,290
Weighted average number of equity shares of ₹ 1 each for the year (diluted)	238,298,865	240,265,403
Earnings per share, diluted - ₹	1.97	0.96

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35 INCOME TAXES

A. Income tax assets

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Income tax assets	1,494.08	1,184.40	1,614.38
Income tax liabilities	(44.28)	(3.66)	(14.05)
Net income tax assets	1,449.80	1,180.74	1,600.33

B. The major components of income tax expense for the year are as under:

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Current tax		
In respect of current year	2,161.70	2,310.81
In respect of previous years	(278.92)	556.51
Total (A)	1,882.78	2,867.32
Deferred tax		
Origination and reversal of temporary differences	(164.32)	(77.09)
Impact of change in tax rate	153.18	(4.55)
Total (B)	(11.14)	(81.64)
Income tax recognised in the Statement of profit and loss (A+B)	1,871.64	2,785.68
Income tax expenses recognised in OCI		
Re-measurement of defined employee benefit plans	(4.97)	6.29
Income tax relating to items that will not be classified to profit and loss	-	-
Total	(4.97)	6.29

C. Reconciliation of tax expenses and the accounting profit for the year are as under:

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit before exceptional items and tax	7,410.96	6,531.08
Other comprehensive income	(7.36)	28.65
Total	7,403.60	6,559.73
Enacted tax rate in India	25.17%	34.94%
Income tax expenses calculated (refer note below)	2,019.25	2,291.22
MAT credit	(15.54)	(123.64)
Tax on expense not tax deductible	191.80	231.98
Tax on income exempt from tax	(13.97)	(40.18)
Tax on income at special rate	(22.09)	(48.44)
Others	2.25	(0.13)
Total tax expenses as per profit and loss	2,161.70	2,310.81

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35 INCOME TAXES (CONTD..)

The Taxation Laws (Amendment) Ordinance, 2019, provide domestic companies a non-reversible option to pay corporate tax at concessional rate effective from 1 April 2019, subject to certain conditions. The parent company has adopted the reduced rates during the year ended 31 March 2020. However, Geojit Technologies Private Limited, Geojit Credits Private Limited, Geojit Investment Services Private Limited and Geojit Techloan Private Limited have not opted for the new regime.

D. Deferred tax assets and liabilities

As at 31 March 2020

(All amounts in Indian Rupees lakhs)

Movement during the year ended 31 March 2020	As at 1 April 2019	Credit/ (charge) in the Statement of profit and loss	Credit/(charge) in Other comprehensive income	As at 31 March 2020
Property, plant and equipment	265.21	(660.98)	-	(395.77)
Impairment loss allowance	428.56	(93.21)	-	335.35
Employee benefits	56.03	24.82	4.97	85.82
Fair value gain /(loss) on investments	(1.43)	2.20	-	0.77
Lease liabilities and other temporary differences	(165.79)	738.31	-	572.52
Net deferred tax assets / (liabilities)	582.58	11.14	4.97	598.69

As at 31 March 2019

(All amounts in Indian Rupees lakhs)

Movement during the year ended 31 March 2019	As at 1 April 2018	Credit/ (charge) in the Statement of profit and loss	Credit/(charge) in Other comprehensive income	As at 31 March 2019
Property, plant and equipment	26.82	238.39	-	265.21
Impairment loss allowance	370.67	57.89	-	428.56
Employee benefits	116.36	(54.04)	(6.29)	56.03
Fair value gain /(loss) on investments	(5.65)	4.22	-	(1.43)
Lease liabilities and other temporary differences	(0.97)	(164.82)	-	(165.79)
Net deferred tax assets / (liabilities)	507.23	81.64	(6.29)	582.58

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36 EMPLOYEE STOCK OPTION PLANS

(A) Details of options granted are as follows:

(All amounts in Indian Rupees lakhs)

Particulars	ESOP 2010 - Tranche III	ESOP 2010 - Tranche IV	ESOP 2016 - Grant 1	ESOP 2016 - Grant 2	ESOP 2016 - Grant 3	ESOP 2016 - Grant 4	ESOP 2016 - Grant 5
Date of grant	21 May 2013	27 June 2014	4 August 2016	2 September 2017	23 January 2018	20 March 2018	23 April 2018
Date of Nomination and Remuneration Committee approval	12 April 2010	12 April 2010	4 August 2016	2 September 2017	23 January 2018	20 March 2018	23 April 2018
Date of shareholder approval	12 July 2010	12 July 2010	4 August 2016	4 August 2016	4 August 2016	4 August 2016	4 August 2016
Eligible employees	All	All	All	All	All	All	All
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. of equity shares for each option	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share
No. of options granted	2,799,991	2,799,999	8,079,340	1,197,312	2,582	23,674	261,250
Exercise price	₹ 23.95	₹ 41.45	₹ 41.60	₹ 117.40	₹ 117.35	₹ 101.25	₹ 101.15
Discount granted	No discount	No discount	No discount	No discount	No discount	No discount	No discount
Vesting period and manner of vesting	Immediate vesting on 2nd anniversary from grant date	Immediate vesting on 2nd anniversary from grant date	In a graded manner over 4 years commencing from 01 October 2017	In a graded manner over 3 years commencing from 01 October 2018	In a graded manner over 3 years commencing from 01 April 2019	In a graded manner over 3 years commencing from 01 April 2019	Immediate vesting on 01 May 2019
Vesting condition	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time						
Exercise period	3 years from vesting date	3 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 to 4 years from vesting date	3 years from vesting date
No. of options outstanding at the beginning of the year	- (254,514)	656,028 (847,863)	5,569,414 (6,732,660)	908,641 (1,095,795)	1,485 (2,582)	11,700 (23,674)	224,571 (-)
Add: No. of options granted during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (261,250)
Less: No. of options forfeited on resignation / lapsed due to non-exercise during the year	- (27,964)	651,669 (19,913)	70,565 (1,143,650)	103,060 (187,154)	- (1,097)	230 (11,974)	1,825 (36,679)
Less: No. of options exercised during the year	- (226,550)	4,359 (171,922)	- (19,596)	- (-)	- (-)	- (-)	- (-)
No. of options outstanding at the end of the year	- (-)	- (656,028)	5,498,849 (5,569,414)	805,581 (908,641)	1,485 (1,485)	11,470 (11,700)	222,746 (224,571)
No. of options vested during the year	- (-)	- (-)	21,533 (219,684)	35 (3,691)	- (-)	- (-)	224,571 (-)
No. of options exercisable at year end	- (-)	- (656,028)	356,784 (339,283)	1,695 (1,717)	- (-)	- (-)	222,746 (-)
No. of options available for grant at year end	- (-)	- (-)	1,076,382 (2,205,987)	- (-)	- (-)	- (-)	- (-)
Weighted average remaining contractual life of options outstanding at year end	- (-)	- (-)	2.2 years (3.2 years)	1.5 years (2.5 years)	1.3 years (2.3 years)	1.2 years (2.2 years)	1.5 years (2.5 years)

Note: Previous year figures are given in brackets.

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36 EMPLOYEE STOCK OPTION PLANS: (CONTD...)

(A) Details of options granted are as follows:

(All amounts in Indian Rupees lakhs)

Particulars	ESOP 2016 - Grant 6	ESOP 2016 - Grant 7	ESOP 2016 - Grant 8	ESOP 2017 Tranche 1	ESOP 2017 Special-1	ESOP 2017 Tranche 2	ESOP 2017 Special-2
Date of grant	6 December 2018	26 March 2019	6 February 2020	23 January 2018	16 May 2018	26 March 2019	29 May 2019
Date of Nomination and Remuneration Committee approval	6 December 2018	26 March 2019	6 February 2020	23 January 2018	16 May 2018	26 March 2019	29 May 2019
Date of shareholder approval	4 August 2016	4 August 2016	4 August 2016	22 November 2017	22 November 2017	22 November 2017	22 November 2017
Eligible employees	All	All	All	All	Specified employees	All	Specified employees
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. of equity shares for each option	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share	One option = One share
No. of options granted	749,660	1,278,698	159,691	1,073,780	400,000	1,072,516	90,000
Exercise price	₹ 44.10	₹ 39.75	₹ 27.60	₹ 117.35	₹ 98.20	₹ 39.75	₹ 38.75
Discount granted	No discount	No discount	No discount	No discount	No discount	No discount	No discount
Vesting period and manner of vesting	In a graded manner over 2 years commencing from 01 April 2020	In a graded manner over 2 years commencing from 01 April 2020	Immediate vesting on 01 October 2021	Immediate vesting on 01 February 2019	In a graded manner over 4 years commencing from 01 June 2019	Immediate vesting on 01 April 2020	In a graded manner over 4 years commencing from 01 June 2020
Vesting period and manner of vesting	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time						
Exercise period	3 to 4 years from vesting date	3 to 4 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date
No. of options outstanding at the beginning of the year	702,773 (-)	1,278,698 (-)	- (-)	860,699 (1,051,995)	400,000 (-)	1,070,594 (-)	- (-)
Add: No. of options granted during the year	- (749,660)	- (1,278,698)	159,691 (-)	- (-)	- (400,000)	- (1,072,516)	90,000 (-)
Less: No. of options forfeited on resignation / lapsed due to non-exercise during the year	192,871 (46,887)	163,356 (-)	1,448 (-)	55,179 (191,296)	71,705 (-)	70,753 (1,922)	- (-)
Less: No. of options exercised during the year	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
No. of options outstanding at the end of the year	509,902 (702,773)	1,115,342 (1,278,698)	158,243 (-)	805,520 (860,699)	328,295 (400,000)	999,841 (1,070,594)	90,000 (-)
No. of options vested during the year	- (-)	- (-)	- (-)	- (873,553)	28,295 (-)	- (-)	- (-)
No. of options exercisable at year end	- (-)	- (-)	- (-)	805,520 (860,699)	28,295 (-)	- (-)	- (-)
No. of options available for grant at year end	- (-)	- (-)	- (-)	2,487,232 (2,379,595)	- (-)	- (-)	- (-)
Weighted average remaining contractual life of options outstanding at year end	2.1 years (3.1 years)	1.7 years (2.7 years)	3 years (-)	0.5 years (1.5 years)	2.2 years (2.5 years)	1.5 years (2.5 years)	3.2 years (-)

Note: Previous year figures are given in brackets.

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36 EMPLOYEE STOCK OPTION PLANS: (CONTD...)

(B) Accounting of employee share based compensation cost:

The Company has adopted 'fair value method' for accounting employee share based compensation cost. Under the fair value method, fair value of options are expensed on straight-line basis over the vesting period as employee share based compensation cost. The expected forfeiture rate per annum is 10% for all ESOP schemes (31 March 2019: 10%).

(C) Details of fair value method of accounting for employee compensation cost using Black-Scholes options pricing model are as follows:

(All amounts in Indian Rupees lakhs)

Plan	ESOP 2010 - Tranche III	ESOP 2010 - Tranche IV	ESOP 2016 - Grant 1	ESOP 2016 - Grant 2	ESOP 2016 - Grant 3	ESOP 2016 - Grant 4	ESOP 2016 - Grant 5
Weighted average fair value per option (₹)	5.70	16.64	13.45	37.48	38.37	33.57	27.58
Market price relevant for grant (₹)	23.95	41.45	41.60	117.40	117.35	101.25	101.15
Weighted average share price as on the date of exercise during the year (₹)	NA	30 May 19 - 39.05 07 Aug 19 - 23.75	NA	NA	NA	NA	NA
Expected annual volatility of shares	42%	66%	35%	37%	39%	40%	39%
Expected dividend yield	4.59%	0.46%	2.00%	1.20%	1.20%	1.20%	2.20%
Risk free interest rate	8.00%	8.00%	6.70% - 6.90%	6.10% - 6.30%	6.70% - 6.90%	6.80% - 7.00%	7.00%
Expected life (in years)	2.0	2.0	2.7 - 5.7	2.6 - 4.6	2.7 - 4.2	2.5 - 4.0	2.5

(All amounts in Indian Rupees lakhs)

Plan	ESOP 2016 - Grant 6	ESOP 2016 - Grant 7	ESOP 2016 - Grant 8	ESOP 2017 Tranche 1	ESOP 2017 Special-1	ESOP 2017 Tranche 2	ESOP 2017 Special-2
Weighted average fair value per option (₹)	12.67	11.15	7.96	33.77	33.59	10.74	12.43
Market price relevant for grant (₹)	44.10	39.75	27.60	117.35	98.20	39.75	38.75
Weighted average share price as on the date of exercise during the year (₹)	NA	NA	NA	NA	NA	NA	NA
Expected annual volatility of shares	37%	39%	36%	39%	39%	39%	39%
Expected dividend yield	2.20%	2.20%	2.20%	1.20%	2.20%	2.20%	2.58%
Risk free interest rate	6.90% - 7.00%	6.50% - 6.60%	5.80%	6.70%	7.20%-7.70%	6.50%	6.30%- 6.70%
Expected life (in years)	2.8 - 3.3	2.5 - 3.0	3.2	2.5	2.5-5.5	2.5	2.5-5.5

Annualised volatility is computed using the high and low market price of the Company's share over the one year period prior to the date of grant. It is assumed that employees would exercise the options immediately on vesting. The historical volatility of the Company's share price is higher than the volatility considered above. However, the Company expects the volatility of its share price to reduce as it matures.

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37 EMPLOYEE BENEFITS

General description of defined benefit plans

(i) Defined contribution plan – Provident Fund

The Group makes Provident Fund contribution for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group has recognised ₹ 469.50 lakhs (31 March 2019: ₹ 313.95 lakhs) towards Provident Fund contribution in the consolidated statement of profit and loss. The contributions payable to this plan by the Group are at the rates specified in the rules of the scheme.

(ii) Defined benefit plan – Gratuity

The Group provides gratuity benefit to its employees (included as part of 'Contribution to provident and other funds' in Note 29 Employee benefits expense), which is funded with Life Insurance Corporation of India.

Details of defined benefit plans as per actuarial valuation are as follows

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
I. Amount recognised in the statement of Profit and Loss		
Current service cost	76.72	70.70
Past service cost	0.41	-
Net interest cost	2.81	13.10
Total expenses included in employee benefit expenses	79.94	83.80
II. Amount recognised in other comprehensive income		
Remeasurement (gains)/ losses:		
a) Actuarial (gain)/ losses arising from changes in		
- financial assumptions	41.07	10.62
- experience assumptions	(24.23)	(22.86)
b) Return on plan assets, excluding amount included in net interest expense / (income)	2.39	(6.94)
Total amount recognised in other comprehensive income	19.23	(19.18)
III. Changes in the defined benefit obligation		
Opening defined benefit obligation	792.73	751.64
Transfer in / (out)	-	14.71
Current service cost	76.72	70.70
Past service cost	0.41	-
Interest expense	55.50	54.88
Remeasurement (gains)/losses arising from changes in -		
- financial assumptions	41.04	10.62
- experience adjustments	(24.23)	(22.86)
Benefits paid	(50.49)	(86.96)
Closing defined benefit obligation	891.68	792.73

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37 EMPLOYEE BENEFITS (CONTD...)

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
IV. Change in fair value of plan assets during the year		
Opening fair value of plan assets	774.67	502.13
Interest income	52.69	41.78
Actual group contributions	4.28	299.68
Amount contributed by group companies on transfer of its employees to the Company	-	11.08
Remeasurement (gains)/losses arising from changes in -		
- financial assumptions	(2.41)	6.96
Actual benefits paid	(50.49)	(86.96)
Closing fair value of plan assets	778.74	774.67
V. Net defined benefit obligation		
Defined benefit obligation	891.68	792.73
Fair value of plan assets	778.74	774.67
Surplus/(Deficit) *	112.94	18.06
Non current portion of the above	112.94	18.06
* Included under		
Provisions (Refer note 16)	119.58	35.63
Other non-financial assets (Refer note 12)	(6.64)	(17.57)
	112.94	18.06

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37 EMPLOYEE BENEFITS (CONTD..)

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
I. Actuarial assumptions and sensitivity		
Discount rate (p.a.)	5.80% - 6.20%	7.00% - 7.20%
Attrition rate	Upto 35 years - 50% Above 35 years - 12%	Upto 35 years - 50% Above 35 years - 10% - 12%
Expected return on plan assets	7.00% - 7.20%	7.30% - 7.50%
Rate of salary increase	6.00%	6.00%
In- service mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
II. Quantitative sensitivity analysis for input of significant assumptions on defined benefit obligations are as follows		
One percentage point increase in discount rate	(44.60)	(37.66)
One percentage point decrease in discount rate	49.53	41.75
One percentage point increase in salary growth rate	49.09	41.75
One percentage point decrease in salary growth rate	(45.04)	(38.33)
III. Maturity profile of defined benefit obligation		
The weighted average expected remaining lifetime of the plan members as at the date of valuation.	5 - 6 years	5 - 7 years

Actuarial assumptions for compensated absences

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
I. Actuarial assumptions and sensitivity		
Discount rate (p.a.)	5.80% - 6.20%	7.00% - 7.20%
Rate of salary increase	6.00%	6.00%
Attrition rate over different age brackets	Upto 35 years - 50% Above 35 years - 12%	Upto 35 years - 50% Above 35 years - 10% - 12%

The estimate of future salary increases, considered in actuarial valuation, considers inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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38 LEASES

The Group has applied Ind AS 116 with the date of initial application of 1 April 2018.

The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2018. The carrying value of right-of-use assets and lease liabilities are equivalent as at 1 April 2018 of ₹ 1,357.95 lakhs.

As a lessee

a) Additions to right-of-use asset

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Property, plant and equipment	876.07	1,363.11

b) Carrying value of right-of-use asset

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Right-of-use asset as on the opening date	2,097.09	1,357.95	1,357.95
Additions	876.08	1,363.10	-
Depreciation charge for the year	(845.75)	(623.96)	-
Balance as at the year end	2,127.42	2,097.09	1,357.95

c) Maturity analysis of lease liability

(All amounts in Indian Rupees lakhs)

Maturity analysis - contractual undiscounted cashflows	As at 31 March 2020	As at 31 March 2019
Less than 1 year	903.83	992.93
One to five years	1,784.96	2,631.77
More than 5 years	111.86	168.88
Total undiscounted lease liability as at March 31, 2020	2,800.65	3,793.58
Lease liabilities included in the statement of financial position at 31 March 2020	2,328.45	2,205.27

d) Amounts recognised in profit or loss

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest on lease liabilities	240.04	177.92
Expenses relating to short-term leases	583.05	800.80

e) Amounts recognised in cash flow statements

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Total cash flow for leases	992.93	693.70

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39 DETAILS OF ASSETS UNDER THE PORTFOLIO MANAGEMENT SCHEME ARE AS FOLLOWS:

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Number of clients	821	656	520
Original cost of assets under management - ₹ in lakhs	19,763.83	16,622.56	7,406.96
Represented by:			
(a) Bank balance - ₹ in lakhs	625.45	800.68	460.31
(b) Cost of portfolio holdings - ₹ in lakhs	19,138.38	15,821.88	6,946.65
Total	19,763.83	16,622.56	7,406.96
Net asset value of portfolio under management - ₹ in lakhs	15,735.34	19,458.72	15,080.05

40 FINANCIAL INSTRUMENTS

A. Accounting classification

Refer to financial instruments by category table below for the disclosure on carrying value and fair value on financial assets and liabilities. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

The carrying value of financial instruments by categories as of 31 March 2020 is as follows:

(All amounts in Indian Rupees lakhs)

Particulars	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	13,600.12	-	-	13,600.12	13,600.12
Other balances with banks	37,492.31	-	-	37,492.31	37,492.31
Trade receivables	7,610.52	-	-	7,610.52	7,610.52
Loans	2,173.06	-	-	2,173.06	2,173.06
Investments (excluding joint ventures and associate)	-	9,769.29	-	9,769.29	9,769.29
Other financial assets	7,880.44	-	-	7,880.44	7,880.44
Total	68,756.45	9,769.29	-	78,525.74	78,525.74
Liabilities					
Derivative financial instruments	-	3.82	-	3.82	3.82
Trade payables	1,217.79	-	-	1,217.79	1,217.79
Lease liabilities	2,328.45	-	-	2,328.45	2,328.45
Other financial liabilities	28,750.69	-	-	28,750.69	28,750.69
Total	32,296.93	3.82	-	32,300.75	32,300.75

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40 FINANCIAL INSTRUMENTS (CONTD..)

The carrying value of financial instruments by categories as of 31 March 2019 is as follows:

(All amounts in Indian Rupees lakhs)

Particulars	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	11,161.30	-	-	11,161.30	11,161.30
Other balances with banks	22,424.53	-	-	22,424.53	22,424.53
Derivative financial instruments	-	1.62	-	1.62	1.62
Trade receivables	13,081.22	-	-	13,081.22	13,081.22
Loans	5,823.68	-	-	5,823.68	5,823.68
Investments (excluding joint ventures and associate)	-	7,203.66	-	7,203.66	7,203.66
Other financial assets	18,042.22	-	-	18,042.22	18,042.22
Total	70,532.95	7,205.28	-	77,738.23	77,738.23
Liabilities					
Trade payables	1,030.38	-	-	1,030.38	1,030.38
Lease liabilities	2,205.27	-	-	2,205.27	2,205.27
Other financial liabilities	27,119.41	-	-	27,119.41	27,119.41
Total	30,355.06	-	-	30,355.06	30,355.06

The carrying value of financial instruments by categories as of 1 April 2018 is as follows:

(All amounts in Indian Rupees lakhs)

Particulars	Amortised cost	Fair value through P&L	Fair value through OCI	Total carrying value	Total fair value
Assets					
Cash and cash equivalents	10,028.50	-	-	10,028.50	10,028.50
Other balances with banks	15,681.06	-	-	15,681.06	15,681.06
Trade receivables	12,614.84	-	-	12,614.84	12,614.84
Loans	1,675.50	-	-	1,675.50	1,675.50
Investments (excluding joint ventures and associate)	-	18,306.08	-	18,306.08	18,306.08
Other financial assets	15,196.41	-	-	15,196.41	15,196.41
Total	55,196.31	18,306.08	-	73,502.39	73,502.39
Liabilities					
Derivative financial instruments	-	0.62	-	0.62	0.62
Trade payables	1,243.45	-	-	1,243.45	1,243.45
Lease liabilities	1,357.95	-	-	1,357.95	1,357.95
Other financial liabilities	20,693.19	-	-	20,693.19	20,693.19
Total	23,294.59	0.62	-	23,295.21	23,295.21

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40 FINANCIAL INSTRUMENTS (CONTD..)

B. Measurement of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The investments included in Level 1 of fair value hierarchy have been valued using quoted prices for instruments in an active market. The investments included in Level 2 of fair value hierarchy have been valued using valuation techniques based on observable market data. The investment included in Level 3 of fair value hierarchy have been valued using the income approach and break-up value to arrive at their fair value. There is no movement from between Level 1, Level 2 and Level 3. There is no change in inputs used for measuring Level 3 fair value.

The following table summarises financial instruments measured at fair value on recurring basis:

As at 31 March 2020

(All amounts in Indian Rupees lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial instruments:				
Derivatives (liability)	-	-	3.82	3.82
Mutual fund units	-	9,743.22	-	9,743.22
Equity shares	-	-	26.07	26.07
Total	-	9,743.22	29.89	9,773.11

As at 31 March 2019

(All amounts in Indian Rupees lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial instruments:				
Derivatives (asset)	-	-	1.62	1.62
Mutual fund units	-	7,200.90	-	7,200.90
Equity shares	-	-	2.76	2.76
Total	-	7,200.90	4.38	7,205.28

As at 1 April 2018

(All amounts in Indian Rupees lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial instruments:				
Derivatives (liability)	-	-	0.62	0.62
Mutual fund units	-	18,303.29	-	18,303.29
Equity shares	-	-	2.76	2.76
Debt securities	-	-	0.03	0.03
Total	-	18,303.29	3.41	18,306.70

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40 FINANCIAL INSTRUMENTS (CONTD..)

C. Financial risk management

The Group has exposure to the following risk arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

Risk management framework

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallisation of such risks. The Board oversees the Group's risk management and has constituted a Enterprise Risk Management Committee, which frames and reviews risk management processes and controls.

a) Credit risk:

It is risk of financial loss that the Group will incur a loss because its customer and counterparty to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprise of Cash and bank balance, Trade receivables, Loans, Investments and Other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

Following provides exposure to credit risk for trade receivables and loans:

(All amounts in Indian Rupees lakhs)

Particulars	31 March 2020	31 March 2019	1 April 2018
Trade receivables (net of impairment)	7,610.52	13,081.22	12,614.84
Loans (net of impairment)	2,173.06	5,823.68	1,675.50
Unbilled revenue	77.92	85.68	42.15
Total	9,861.50	18,990.58	14,332.49

Trade receivables and loans:

The Group has followed simplified approach for measurement of expected credit loss in case of receivables and loans. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk. Based on the industry practices and business environment in which the entity operates, management considers that the trade receivables and loans are in default based on the due dates of the respective financial assets.

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40 FINANCIAL INSTRUMENTS (CONTD..)

b) Liquidity risk

Liquidity represents the ability of the Group to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavourable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Group may not be able to generate sufficient cash flow at reasonable cost to meet expected and/or unexpected claims. It arises in the funding of lending, trading and investment activities and in the management of trading positions.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

Funds required for short period is taken care by borrowings utilising overdraft facility from bank.

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 31 March 2020

(All amounts in Indian Rupees lakhs)

Particulars	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	29,867.97	20,731.72	492.74	51,092.43
Trade receivables	7,610.52	-	-	7,610.52
Loans	1,623.75	526.13	23.18	2,173.06
Investments (excluding joint ventures and associate)	9,769.29	-	-	9,769.29
Other financial assets	813.11	278.38	6,788.95	7,880.44
Total	49,684.64	21,536.23	7,304.87	78,525.74
Liabilities				
Derivative financial instruments	3.82	-	-	3.82
Trade payables	1,217.79	-	-	1,217.79
Lease liabilities	364.49	346.87	1,617.09	2,328.45
Other financial liabilities	28,674.78	-	75.91	28,750.69
Total	30,260.88	346.87	1,693.00	32,300.75
	19,423.76	21,189.36	5,611.87	46,224.99

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40 FINANCIAL INSTRUMENTS (CONTD..)

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 31 March 2019

(All amounts in Indian Rupees lakhs)

Particulars	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	14,926.64	18,369.62	289.57	33,585.83
Derivative financial instruments	1.62	-	-	1.62
Trade receivables	13,081.22	-	-	13,081.22
Loans	5,545.16	253.61	24.91	5,823.68
Investments (excluding joint ventures and associate)	7,203.66	-	-	7,203.66
Other financial assets	7,910.63	231.77	9,899.82	18,042.22
Total	48,668.93	18,855.00	10,214.30	77,738.23
Liabilities				
Trade payables	1,030.38	-	-	1,030.38
Lease liabilities	342.54	335.91	1,526.82	2,205.27
Other financial liabilities	27,038.53	-	80.88	27,119.41
Total	28,411.45	335.91	1,607.70	30,355.06
	20,257.48	18,519.09	8,606.60	47,383.17

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at 1 April 2018

(All amounts in Indian Rupees lakhs)

Particulars	Less than 6 months	6 to 12 months	More than 1 year	Total carrying amount
Assets				
Cash and bank balances	13,243.82	12,325.10	140.64	25,709.56
Trade receivables	12,614.84	-	-	12,614.84
Loans	1,188.82	451.61	35.07	1,675.50
Investments (excluding joint ventures and associate)	18,306.08	-	-	18,306.08
Other financial assets	2,520.15	235.31	12,440.95	15,196.41
Total	47,873.71	13,012.02	12,616.66	73,502.39
Liabilities				
Derivative financial instruments	0.62	-	-	0.62
Trade payables	1,243.45	-	-	1,243.45
Lease liabilities	186.48	203.20	968.27	1,357.95
Other financial liabilities	20,580.30	-	112.89	20,693.19
Total	22,010.85	203.20	1,081.16	23,295.21
	25,862.86	12,808.82	11,535.50	50,207.18

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40 FINANCIAL INSTRUMENTS (CONTD..)

c) Market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates credit spreads and equity prices) impact the Group's income or the market value of its portfolios. The Group, in its course of business is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximise returns. The Group classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analysis:

- i) Equity price risk
- ii) Interest rate risk
- iii) Currency risk

i) Equity price risk

The Group doesnot have proprietary trading positions in equity. In respect of the client positions, the risk is managed through risk based margin requirements and hence the Group do not envisage a substantial equity price risk.

ii) Interest rate risk

The Group's exposure to interest rate risks arises primarily due to the short term investments in debt mutual funds.

An increase of 5 percent in net assets value (NAV) would increase profit before tax by approximately ₹ 487.16 lakhs (31 March 2019 : ₹ 360.03 lakhs). A similar percentage decrease would have resulted in equivalent opposite impact.

iii) Foreign exchange risk / Currency risk

The financial risks arising to the Group include foreign exchange risk. As a part of group's risk management policy, the exchange risks arising from foreign currency fluctuations are hedged by forward contracts designated as cash flow hedges. The fair value of derivative contracts is determined based on the mark to market price i.e. the price that would be paid/received to transfer a liability/asset as at the reporting date.

Exposures in foreign currency:

Assets	Foreign Currency	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
		Amount in Foreign currency	Amount in Rs. lakhs	Amount in Foreign currency	Amount in Rs. lakhs	Amount in Foreign currency	Amount in Rs. lakhs
Receivables (trade & other)	US Dollars	83,057	62.61	73,751	51.01	97,998	63.74
Unhedged receivable		83,057	62.61	73,751	51.01	97,998	63.74
Receivables (trade & other)	Euro	350,873	291.39	131,430	102.12	189,773	153.00
Hedges by derivative contracts		114,600	95.17	96,200	74.75	179,840	144.99
Unhedged receivable		236,273	196.22	35,230	27.37	9,933	8.01
Receivables (trade & other)	Singapore Dollars	32,175	17.06	5,270	2.67	13,795	6.85
Unhedged receivable		32,175	17.06	5,270	2.67	13,795	6.85
Receivables (trade & other)	AED	189,000	38.79	63,000	11.88	63,000	11.18
Unhedged receivable		189,000	38.79	63,000	11.88	63,000	11.18

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40 FINANCIAL INSTRUMENTS (CONTD..)

The following table details the Group's sensitivity to a 1% increase and decrease in the rupee against relevant foreign currencies. The sensitivity analysis includes only foreign currency denominated monetary items and adjusts their translation at the year end for a 1% change in foreign currency rates, with all other variables held constant.

Increase / (decrease) in statement of profit and loss for a 1% change

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
INR / USD	0.63	(0.63)	0.51	(0.51)	0.64	(0.64)
INR / EUR	1.96	(1.96)	0.27	(0.27)	0.08	(0.08)
INR / SGD	0.17	(0.17)	0.03	(0.03)	0.07	(0.07)
INR / AED	0.39	(0.39)	0.12	(0.12)	0.11	(0.11)

41 RELATED PARTY DISCLOSURES

(i) Names of related parties and description of relationship with the Company:

Nature of relationship	Name of related party
Subsidiaries, joint ventures and associate [Refer note 2 (ii)]	
Related parties with whom the Company had transactions during the year	
Entity having significant interest in the Company	BNP Paribas SA
Key management personnel / Directors	Mr. C. J. George, Managing Director Mr. Satish Menon, Wholetime Director (wef 2 August 2018) Mr. A Balakrishnan, Wholetime Director (wef 2 August 2018) Mr. A P Kurian, Independent Director (till 29 March 2019) Mr. R Bupathy, Independent Director Mr. Mahesh Vyas, Independent Director Mr. Radhakrishnan Nair, Independent Director Ms. Mohana Raj Nair, Independent Director (till 2 February 2020) Mr. James Varghese, Independent Director (wef 14 November 2019) Mr. Punnoose George, Non executive Director Mr. M G Rajamanickam, Nominee Director (wef 12 December 2019) Mr. Sanjeev Kumar Rajan, Chief Financial Officer Mr. Liju K. Johnson, Company Secretary
Relative of key management personnel	Mr. Jones George Mr. Jyothis Abraham George Ms. Shiny George Ms. Susan Raju Ms. Sally Sampath Ms. Subhadra Ramakrishnan Ms. Sangeeta Kamath Ms. Bindu Balakrishnan
Entity over which relative of key management personnel has control	Geofin Comtrade Limited Geofin Capital Services Limited C J G Holdings India Private Limited
Trust under the control of the Company	Geojit Foundation
Entity having significant influence in one of the subsidiary companies (Geojit Technologies Private Limited)	BNP Paribas India Solutions Private Limited

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41 RELATED PARTY DISCLOSURES (CONTD..)

(ii) Related party transactions

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
BNP Paribas SA	Software income	145.53	703.00
	Dividend paid	1,917.22	1,533.78
Mr. C. J. George	Salary and allowances *	197.25	183.68
	Brokerage income	0.29	0.05
	Dividend paid	1,082.83	866.26
Mr. Satish Menon	Salary and allowances *	92.20	61.45
	Brokerage income	0.14	0.09
	Depository income	**	0.01
	Dividend paid	17.31	12.71
Mr. A Balakrishnan	Salary and allowances *	92.06	60.83
	Brokerage income	0.02	0.02
	Depository income	**	-
	Dividend paid	6.16	4.78
Non-executive Directors	Sitting fee	18.70	24.50

* The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

** The amount is below the rounding off norms adopted by the Company.

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
Other Key Management Personnel	Salary and allowances *	75.15	68.73
Mr. Jones George	Salary and allowances *	18.10	12.08
	Portfolio management services income	0.82	0.01
	Brokerage income	0.13	**
	Depository income	0.01	**
	Dividend paid	75.25	50.00
Mr. Jyothis Abraham	Brokerage income	0.16	0.01
George	Depository income	0.01	0.01
	Dividend paid	75.25	50.00
Ms. Shiny George	Dividend paid	-	15.00
Ms. Susan Raju	Dividend paid	0.08	0.06
	Depository income	0.01	-
Ms. Sally Sampath	Depository income	0.01	-
	Dividend paid	0.13	0.10
Ms. Subhadra Ramakrishnan	Depository income	0.01	0.01
Ms. Sangeeta Kamath	Portfolio management services income	0.46	0.39
	Brokerage income	0.06	-
	Depository income	**	-
Ms. Bindu Balakrishnan	Brokerage income	-	**
	Depository income	0.01	0.01
Geofin Comtrade Limited	Expenses reimbursed	-	19.13
	Portfolio management services income	7.29	4.76
	Cost recovery for shared services	0.90	5.59
	Client acquisition	-	716.34
	Property, plant and equipment purchased	-	10.06
	Rent deposit accepted	-	1.00
	Rent deposit refunded	-	13.78
	Rental income	2.47	5.06

Notes

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41 RELATED PARTY DISCLOSURES (CONTD..)

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Year ended	Year ended
		31 March 2020	31 March 2019
Geofin Capital Services Limited	Rental income	-	0.05
	Commission to business associates	-	3.51
	Cost recovery for shared services	-	**
	Rent deposit refunded	0.22	-
	Security deposit repaid	-	10.00
Geojit Foundation	Corporate social responsibility expenses	148.19	70.26
	Expenses recovered	0.18	0.28
	Training fee paid	0.22	-
BNP Paribas India Solutions Private Limited	Software income	-	4.34

* The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

** The amount is below the rounding off norms adopted by the Company.

(iii) Amount outstanding as at the balance sheet date

(All amounts in Indian Rupees lakhs)

Name of related party	Nature of transaction	Receivable / (Payable) as at 31 March 2020	Receivable / (Payable) as at 31 March 2019	Receivable / (Payable) as at 1 April 2018
BNP Paribas SA	Balances with banks in current accounts	35.53	10.65	67.96
	Trade receivables	-	93.67	103.99
	Other non financial liabilities - Unearned income	(4.33)	(4.34)	-
Mr. C. J. George	Accrued salaries and benefits	(53.93)	(32.95)	(155.81)
Mr. Satish Menon	Accrued salaries and benefits	(31.18)	(21.61)	-
Mr. A Balakrishnan	Accrued salaries and benefits	(31.18)	(21.61)	-
Other Key Management Personnel	Accrued salaries and benefits	(6.24)	(5.59)	(10.46)
Mr. Jones George	Other financial liabilities - PMS balance	-	(17.82)	-
Ms. Sangeeta Kamath	Other financial liabilities - PMS balance	(1.21)	(1.20)	-
Geofin Comtrade Limited	Loans - receivable	4.08	-	8.64
	Trade payables - Others	(0.01)	(4.14)	(0.01)
	Other financial liabilities - PMS balance	-	(39.59)	-
	Other financial liabilities - Rent deposits	(1.00)	(1.00)	(13.78)
Geofin Capital Services Limited	Long-term liabilities - Security deposits	-	-	(10.00)
	Short-term loans and advances	-	-	0.06
	Other financial liabilities - Rent deposits	-	(0.22)	(0.22)
	Trade payables - Commission payable	-	(1.98)	(3.85)
Geojit Foundation	Loans - receivable	0.17	-	-
	Other financial liabilities - Training fee	-	-	(7.63)
BNP Paribas India Solutions Private Limited	Trade receivables - Software income	-	-	6.80
	Other non financial liabilities - Unearned income	-	-	(4.34)

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42 Additional information on net assets and share of profits of the Company, its subsidiaries, associates and joint ventures as considered in the Consolidated Financial Statements (as required by Paragraph 2 of the General instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013):

(All amounts in Indian Rupees lakhs)

Name of the entity	Net assets (i.e., total assets minus total liabilities)		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in lakhs	As % of consolidated profit or loss	Amount ₹ in lakhs	As % of other comprehensive income	Amount ₹ in lakhs	As % of total comprehensive income	Amount ₹ in lakhs
A. Parent:								
Geojit Financial Services Limited	74%	37,399.18	80%	3,774.18	90%	(9.02)	80%	3,765.16
B. Subsidiaries:								
Indian:								
Geojit Investment Services Limited (Refer Note 44)	3%	1,362.16	1%	46.84	1%	(0.05)	1%	46.79
Geojit Technologies Private Limited	36%	17,764.38	22%	1,052.33	47%	(4.65)	22%	1,047.68
Geojit Credits Private Limited	1%	347.47	(1%)	(45.92)	5%	(0.53)	(1%)	(46.45)
Geojit Techloan Private Limited	0%	204.86	0%	0.31	0%	-	0%	0.31
Foreign:								
Gurum Business Group Geojit Securities LLC, Oman	0%	146.75	0%	(21.33)	(119%)	11.86	0%	(9.47)
C. Non-controlling interest	(13%)	(6,333.30)	(8%)	(355.17)	76%	(7.59)	(8%)	(362.76)
D. Associate (Investment as per the equity method)								
Foreign:								
BBK Geojit Financial Services KSC, Kuwait	0%	(142.28)	0%	(4.87)	0%	-	0%	(4.87)
E. Joint ventures (Investment as per the equity method)								
Foreign:								
Barjeel Geojit Financial Services LLC (Formerly Barjeel Geojit Securities LLC), UAE	1%	664.57	3%	121.55	0%	-	3%	121.55
Aloula Geojit Capital Company, Saudi Arabia	(4%)	(1,821.33)	(3%)	(149.14)	0%	-	(3%)	(149.14)
Eliminations / adjustments	2%	815.41	6%	284.34	0%	-	6%	284.34
Total	100%	50,407.87	100%	4,703.12	100%	(9.98)	100%	4,693.14

Notes

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43 SEGMENT INFORMATION

The Group has identified business segments as its primary segment and geographical segments as its secondary segment. Business segments are primarily financial services and software services. Financial services consists of brokerage services, depository services, financial products distribution services, portfolio management services and other allied activities. Software services segment consists of income from development and maintenance of software. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipments that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographical segments of the group are India and others.

(All amounts in Indian Rupees lakhs)

Particulars	Financial services		Software services		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Revenue	28,511.29	28,427.23	2,509.77	2,790.51	31,021.06	31,217.74
Inter segment revenue	-	-	-	-	(486.36)	(432.45)
Total	28,511.29	28,427.23	2,509.77	2,790.51	30,534.70	30,785.29
Segment result	6,344.57	5,231.78	1,066.39	1,299.30	7,410.96	6,531.08
Add : Exceptional items					(448.58)	(750.00)
Profit before tax					6,962.38	5,781.08
Segment assets	72,794.04	73,655.39	18,072.03	17,024.22	90,866.07	90,679.61
Total assets					90,866.07	90,679.61
Segment liabilities	33,796.53	31,538.19	328.37	329.56	34,124.90	31,867.75
Total liabilities					34,124.90	31,867.75
Other information						
Capital expenditure (allocable)	1,231.77	2,454.52	4.39	9.28	1,236.16	2,463.80
Depreciation and amortisation (allocable)	2,382.40	1,966.63	113.26	121.96	2,495.66	2,088.59
Other significant non-cash expenses (allocable)	59.02	159.19	16.17	-	75.19	159.19

Secondary segment

(All amounts in Indian Rupees lakhs)

Particulars	India		Others		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Revenue	29,728.53	29,614.21	903.23	1,236.54	30,631.76	30,850.75
Inter segment revenue	-	-	-	-	(97.06)	(65.46)
Total	29,728.53	29,614.21	903.23	1,236.54	30,534.70	30,785.29
Segment assets	90,433.04	90,301.24	433.03	378.37	90,866.07	90,679.61
Capital expenditure	1,233.54	2,419.23	2.62	44.57	1,236.16	2,463.80

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- 44** During the year ended 31 March 2019, the National Company Law Tribunal has approved the scheme of amalgamation in the nature of merger of Geojit Financial Management Services Private Limited - GFMSPL (subsidiary) and Geojit Financial Distribution Private Limited - GFDPL (step down subsidiary) with the Geojit Investment Services Limited - GISL (subsidiary), with effect from 1 April 2015 and the certified copies of the said orders were duly filed with the Registrar of Companies on 29 August 2018, the effective date of the Scheme. Accordingly, the assets, liabilities and reserves of erstwhile GFMSPL and GFDPL have been taken over at their books values by GISL.

The Board of Directors of the Company approved the merger of Geojit Investment Services Limited with the Company on 24 January 2018 and the effective date of the merger was 1 April 2016. These applications are filed with the NCLT Kochi on 22 October 2019 and the proceedings are in progress.

45 DETAILS OF PROVISIONS

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2019	Additions	Utilisations	Reversals	As at 31 March 2020
Provision against standard assets	1.58	0.43	-	-	2.01
	<i>1.53</i>	<i>0.05</i>	-	-	<i>1.58</i>
Provision for non performing assets	12,651.27	11.97	-	-	12,663.24
	<i>12,747.35</i>	-	-	<i>96.08</i>	<i>12,651.27</i>
Provision for warranty	-	-	-	-	-
	<i>7.01</i>	-	-	<i>7.01</i>	-

Note: Figures in italics relate to the previous year.

46 INVESTMENT IN EQUITY ACCOUNTED INVESTEEES

The Group has interest in the following companies listed below. The Group's interest in these companies is accounted for using equity method in the consolidated financial statements.

(All amounts in Indian Rupees lakhs)

Name	Country	Legal and beneficial holding	Share of profits/ (losses)		Investment		
			Year ended 31 March 2020	Year ended 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Barjeel Geojit Financial Services LLC (Formerly Barjeel Geojit Securities LLC)*	UAE	30%	121.55	193.32	568.95	734.40	818.30
Aloula Geojit Capital Company**	Saudi Arabia	28%	(149.13)	(410.86)	-	597.71	1,758.58
BBK Geojit Financial Services KSC	Kuwait	30%	(4.87)	(6.01)	123.22	128.09	134.09
Total			(32.45)	(223.55)	692.17	1,460.20	2,710.97

* the investment amount is net of dividend received of ₹ 287 lakhs (previous year: ₹ 277.23 lakhs)

** the investment amount is net of the impairment in investment

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46 INVESTMENT IN EQUITY ACCOUNTED INVESTEEES (CONTD..)

Summarised financial information:

1 Barjeel Geojit Financial Services LLC (Formerly Barjeel Geojit Securities LLC)

The Group has a 30% interest in Barjeel Geojit Financial Services LLC (Formerly Barjeel Geojit Securities LLC), an entity which is not listed on any public exchange. The table below also reconciles the summarised financial information to the carrying amount of the Group's interest in Barjeel Geojit Financial Services LLC (Formerly Barjeel Geojit Securities LLC).

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Assets	3,266.71	3,331.92	3,702.83
Liabilities	1,040.24	741.16	975.16
Net assets	2,226.47	2,590.76	2,727.67
Ownership held by the group	30%	30%	30%
Group's share of net assets *	667.94	777.23	818.30

* excludes the impact of foreign currency translation

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Revenue	2,478.44	2,899.82
Profit before tax	405.17	644.40
Income tax	-	-
Profit after tax	405.17	644.40
Other comprehensive income	-	-
Total comprehensive income	405.17	644.40
Ownership held by the group	30%	30%
Group's share of total comprehensive income	121.55	193.32

2 Aloula Geojit Capital Company

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020 **	As at 31 March 2019	As at 1 April 2018
Assets	-	7,220.06	6,810.48
Liabilities	-	2,043.14	529.85
Net assets	-	5,176.92	6,280.63
Ownership held by the group		28%	28%
Group's share of net assets *	-	1,449.54	1,758.58

* excludes the impact of foreign currency translation

** Loss of significant influence with effect from 1 July 2019

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46 INVESTMENT IN EQUITY ACCOUNTED INVESTEEES (CONTD..)

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020 **	Year ended 31 March 2019
Revenue	4.29	501.38
Profit before tax	(532.61)	(1,467.36)
Income tax	-	-
Profit after tax	(532.61)	(1,467.36)
Other comprehensive income	-	-
Total comprehensive income	(532.61)	(1,467.36)
Ownership held by the group	28%	28%
Group's share of total comprehensive income	(149.13)	(410.86)

** Loss of significant influence with effect from 1 July 2019

3 BBK Geojit Financial Services KSC

The Group has a 30% interest in BBK Geojit Financial Services KSC, an entity which is not listed on any public exchange. The table below also reconciles the summarised financial information to the carrying amount of the Group's interest in BBK Geojit Financial Services KSC.

(All amounts in Indian Rupees lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Assets	733.28	691.42	678.51
Liabilities	39.36	31.49	26.91
Net assets	693.92	659.93	651.60
Ownership held by the group	30%	30%	30%
Group's share of net assets *	208.18	197.98	195.48

* excludes the impact of foreign currency translation

(All amounts in Indian Rupees lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Revenue	147.37	142.57
Profit before tax	(16.23)	(20.03)
Income tax	-	-
Profit after tax	(16.23)	(20.03)
Other comprehensive income	-	-
Total comprehensive income	(16.23)	(20.03)
Ownership held by the group	30%	30%
Group's share of total comprehensive income	(4.87)	(6.01)

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47 Covid-19 outbreak was declared as a global pandemic by World Health Organisation (WHO) on 11 March 2020. Indian authorities have followed an approach of complete lockdown since 24 March 2020 starting with three-week complete lockdown, during which only defined essential services were operating with limited capacity. The lockdown kept on getting extended with gradual and modest relaxations. Stock broking service has been declared as an essential service and accordingly, the Company has been in operation consistently with minimal permitted staff. Accordingly, as of 31 March 2020, based on the facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affects its liquidity position and also ability to continue as a going concern. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration.

48 FIRST-TIME ADOPTION OF IND AS

This note explains the principal adjustments made by the Group in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019 to comply with Ind AS.

i) Comparative balance sheet as at 1 April 2018 and 31 March 2019

(All amounts in Indian Rupees lakhs)

Particulars	Notes	As at 1 April 2018			As at 31 March 2019		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Assets							
Financial assets							
a) Cash and cash equivalents		10,028.50	-	10,028.50	11,161.30	-	11,161.30
b) Other bank balances	7	16,170.31	(489.25)	15,681.06	22,953.73	(529.20)	22,424.53
c) Derivative financial instruments		-	-	-	1.60	0.02	1.62
d) Trade receivables	1,7	13,674.23	(1,059.39)	12,614.84	13,510.05	(428.83)	13,081.22
e) Loans		1,675.50	-	1,675.50	5,823.68	-	5,823.68
f) Investments	2,7	18,584.03	2,433.02	21,017.05	8,742.74	(78.88)	8,663.86
g) Other financial assets	3,7	16,387.39	(1,190.98)	15,196.41	18,797.47	(755.25)	18,042.22
Non - financial assets							
a) Current tax assets (net)		1,618.31	(3.93)	1,614.38	1,184.40	-	1,184.40
b) Deferred tax assets (net)	8	484.80	22.43	507.23	514.87	67.71	582.58
c) Property, plant and equipment	7	5,183.91	(111.71)	5,072.20	5,573.93	(87.53)	5,486.40
d) Right-of-use assets	4	-	1,357.95	1,357.95	-	2,097.09	2,097.09
e) Other intangible assets	7	771.78	(13.84)	757.94	1,394.30	(13.86)	1,380.44
f) Other non-financial assets	3,7	619.15	0.13	619.28	644.01	106.26	750.27
Total assets		85,197.91	944.43	86,142.34	90,302.08	377.53	90,679.61

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48 FIRST-TIME ADOPTION OF IND AS (CONTD..)

(All amounts in Indian Rupees lakhs)

Particulars	Notes	As at 1 April 2018			As at 31 March 2019		
		Previous	Adjustments	Ind AS	Previous	Adjustments	Ind AS
		GAAP			GAAP		
Liabilities and equity							
Liabilities							
Financial liabilities							
a) Derivative financial instruments		0.62	-	0.62	-	-	-
b) Trade payables	7	1,373.72	(130.27)	1,243.45	1,594.88	(564.50)	1,030.38
c) Lease liabilities	4	-	1,357.95	1,357.95	-	2,205.27	2,205.27
d) Other financial liabilities		20,693.41	(0.22)	20,693.19	27,119.41	-	27,119.41
Non - financial liabilities							
a) Current tax liabilities		17.98	(3.93)	14.05	3.66		3.66
b) Provisions	7	550.34	(165.97)	384.37	326.01	(154.00)	172.01
c) Other non-financial liabilities	4	1,285.50	(73.43)	1,212.07	1,423.82	(86.80)	1,337.02
Equity							
a) Equity share capital		2,378.70	-	2,378.70	2,382.95	-	2,382.95
b) Other equity		53,402.35	(43.37)	53,358.98	51,479.91	(1,021.54)	50,458.37
Equity attributable to owners of the company		55,781.05	(43.37)	55,737.68	53,862.86	(1,021.54)	52,841.32
Non-controlling interests		5,495.29	3.67	5,498.96	5,971.44	(0.90)	5,970.54
Total liabilities and equity		85,197.91	944.43	86,142.34	90,302.08	377.53	90,679.61

ii) Comparative statement of profit and loss statement for the year ended 31 March 2019

(All amounts in Indian Rupees lakhs)

Particulars	Notes	Previous GAAP	Adjustments	Ind AS
1 Revenue from operations				
Interest income	3	3,780.61	27.10	3,807.71
Rental income		5.10	-	5.10
Fees and commission income	7	25,424.43	(777.84)	24,646.59
Sale of services		1,220.53	-	1,220.53
Net gain on fair value changes	2	939.12	(22.28)	916.84
Other operating income		188.65	(0.13)	188.52
Total revenue from operations		31,558.44	(773.15)	30,785.29
2 Other income	7	262.93	(71.01)	191.92
3 Total income (1+2)		31,821.37	(844.16)	30,977.21
4 Expenses				
Finance cost	4,7	72.21	175.81	248.02
Fees and commission expenses	7	4,768.73	144.73	4,913.46
Impairment of financial assets	1	146.19	13.00	159.19
Employee benefit expenses	5,6,7	11,712.76	(190.78)	11,521.98
Depreciation, amortisation and impairment	4,7	1,501.13	587.46	2,088.59
Other expenses	3,4,7	6,766.33	(1,251.44)	5,514.89
Total expenses		24,967.35	(521.22)	24,446.13

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48 FIRST-TIME ADOPTION OF IND AS (CONTD..)

(All amounts in Indian Rupees lakhs)				
Particulars	Notes	Previous GAAP	Adjustments	Ind AS
5 Profit before exceptional items and tax (3-4)		6,854.02	(322.94)	6,531.08
6 Exceptional items	1	-	(750.00)	(750.00)
7 Profit before tax (5+6)		6,854.02	(1,072.94)	5,781.08
8 Tax expense				
Current tax		2,310.81	-	2,310.81
Current tax relating to previous years		556.51	-	556.51
Deferred tax	8	(30.06)	(51.58)	(81.64)
Total tax expense		2,837.26	(51.58)	2,785.68
9 Profit after tax (7-8)		4,016.76	(1,021.36)	2,995.40
10 Share in profit of associate and joint venture	7	(6.01)	(217.54)	(223.55)
11 Profit for the year (9+10)		4,010.75	(1,238.90)	2,771.85
12 Other comprehensive income				
i) Items that will not be reclassified to profit and loss (net of taxes)	5	-	12.89	12.89
ii) Items that will be reclassified to profit and loss (net of taxes)	8	-	9.47	9.47
Total other comprehensive income		-	22.36	22.36
13 Total comprehensive income (11+12)		4,010.75	(1,216.54)	2,794.21

iii) Material adjustments to the statement of cash flows for the year ended 31 March 2019

(All amounts in Indian Rupees lakhs)			
Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flows from operating activities	3,792.01	(6,208.52)	(2,416.51)
Net cash flows from financing activities	(5,663.50)	(691.59)	(6,355.09)
Net cash flows from investing activities	6,473.26	3,423.05	9,896.31
Net increase/ decrease in cash and cash equivalents	4,601.77	(3,477.06)	1,124.71
Cash and cash equivalents at the beginning of the year	12,190.85	(2,154.26)	10,036.59
Cash and cash equivalents at the end of the year	16,792.62	(5,631.32)	11,161.30

Material adjustments on adoption of Ind AS are explained below

1 Impairment of financial instruments

The Group has recognised impairment loss on trade receivables and loans based on the expected credit loss model as required by Ind AS 109.

2 Net gain / loss on fair value changes

Under Previous GAAP, investment in mutual funds was carried at lower of cost or net realisable value. Under Ind AS, these investments are measured at fair value through profit and loss (FVTPL).

3 Amortisation of security deposit

As per Ind AS 109, long term security deposits are recognised at amortised cost and prepaid rent accounted related interest income and rental expense have also been recognised.

Notes

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48 FIRST-TIME ADOPTION OF IND AS (CONTD..)

4 Leases

Ind AS 116 'Leases' requires the Group to recognise the right-of-use asset and corresponding lease liabilities at transition date. The Group has adopted Ind AS 116 from 1 April 2018 using the modified retrospective approach and recognised right-of-use assets at an amount equal to the adjusted lease liabilities. right-of-use assets are depreciated as per the requirements of Ind AS 16, 'Property, plant and equipment'. Interest is recognised on the remaining balance of the lease liabilities during the lease term and disclosed under finance costs."

Under previous GAAP, the operating lease rentals was recognised as an expense on a straight line basis over the lease period. Under Ind AS, where the escalation rate is in line with the general inflation rate, straight lining of lease rentals is not required.

5 Remeasurement of net defined benefit liability/ asset

Under Ind AS, re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Group has recognised actuarial gains and losses in profit or loss. However, this has no impact in the total comprehensive income and total equity as on 1 April 2018 or as on 31 March 2019.

6 Share based payments

Under Previous GAAP, the Group followed intrinsic value method for accounting compensation expense of employee stock options. Under Ind AS, in case of equity settled share based payment transactions with employees, the fair value as on the grant date should be estimated and recognised as an expense over the vesting period. The Group has followed fair value method only for unvested equity options as on the transition date.

7 Interests in joint ventures

Under the previous GAAP, as per Ind AS 27 the interests in joint ventures are consolidated on a proportionate basis. As per Ind AS 28, the same has been accounted under the equity method of accounting on the date of transition.

8 Deferred tax adjustments

Deferred tax effect of all adjustments has been recognised on transition date and during the year ended 31 March 2019.

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

Rohit Alexander

Partner

Membership No. 222515

Place : Bengaluru

Date : 12 June 2020

for and on behalf of the Board of Directors of

Geojit Financial Services Limited

CIN : L67120KL1994PLC008403

R. Bupathy

Chairman

DIN : 00022911

Place : Chennai

Date : 12 June 2020

Sanjeev Kumar Rajan

Chief Financial Officer

Place : Kochi

Date : 12 June 2020

C. J. George

Managing Director

DIN : 00003132

Place : Kochi

Date : 12 June 2020

Liju K. Johnson

Company Secretary

Membership No. A21438

Place : Kochi

Date : 12 June 2020

Notice

Notice is hereby given that the Twenty Sixth Annual General Meeting ('AGM') of the members of Geojit Financial Services Limited will be held on Wednesday, September 02, 2020 at 4.00 PM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of Financial Statements

To receive, consider and adopt

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the report of the Board of Directors and Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the report of Auditors thereon.

Item No. 2 - Dividend

To confirm the payment of Interim Dividend for the financial year ended March 31, 2020.

Item No. 3 - Appointment of Director

To appoint a Director in place of Mr. A Balakrishnan (DIN: 00050016) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

Item No. 4 - Appointment of Mr. James Varghese (DIN: 01612976) as Independent Director of the Company

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, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Mr. James Varghese (DIN: 01612976), who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from November 14, 2019, who by virtue of the provisions of Section 161 of the Companies Act, 2013, holds the office up to the date of ensuing Annual General Meeting, be and is hereby

appointed as a Director (Non-Executive) of the Company, not liable to retire by rotation;

RESOLVED FURTHER THAT, pursuant to provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Act (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Mr. James Varghese (DIN: 01612976), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from November 14, 2019 up to November 13, 2024.

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution the Managing Director and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

Item No.5 Appointment of Mrs. Alice Geevarghese Vaidyan (DIN: 07394437) as Independent Director of the Company

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, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Mrs. Alice Geevarghese Vaidyan (DIN: 07394437), who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent) of the Company with effect from August 04, 2020, who by virtue of the provisions of Section 161 of the Companies Act, 2013, holds the office up to the date of ensuing Annual General Meeting, be and is hereby appointed as a Director (Non-Executive) of the Company, not liable to retire by rotation;

RESOLVED FURTHER THAT, pursuant to provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Act (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), Mrs. Alice Geevarghese Vaidyan (DIN: 07394437), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and 25 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from August 04, 2020 up to August 03, 2025.

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution the Managing Director and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution.”

Item No. 6 - Re-appointment of Mr. C J George (DIN: 00003132) as the Managing Director

To consider and if deemed fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force) and pursuant to recommendation of Nomination and Remuneration Committee and the approval of the Board of Directors vide their respective meetings held on November 14, 2019, approval of the members be and is hereby accorded to re-appoint Mr. C J George (DIN: 00003132) as Managing Director of the Company for a period of 5 (five) years commencing from November 24, 2019 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of

the said re-appointment and/or remuneration as it may deem fit;

RESOLVED FURTHER THAT, notwithstanding anything contained hereinabove, where during the term of employment of Mr. C J George as the Managing Director, in any financial year, the Company has no profits or inadequate profits, the remuneration payable to Mr. C J George, Managing Director including salary, perquisites and other allowances shall be governed and be subject to such approvals, if any, as may be required and subject to such conditions and ceiling, if any, as may be prescribed from time to time u/s 196, 197, 198 read with Schedule V to the Companies Act, 2013 or such other limits, conditions as may be prescribed by the Government from time to time as the minimum remuneration;

RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all acts and take all such steps as maybe necessary, proper or expedient to give effect to this resolution.”

Item No.7 - To consider granting loan/giving guarantee/providing security in connection with any loan taken by Geojit Credits (P) Ltd, Subsidiary Company.

To consider and if deemed fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 185, 186, 188 and other application provision, if any, of the Companies Act, 2013, including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof for time being in force, and pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of Members of the Company be and is hereby accorded for making of loan(s) in one or more tranches to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by Geojit Credits Private Limited, being an entity falling under the category of ‘any person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section 2 of Section 185 of the Act, of an aggregate outstanding amount not exceeding ₹ 50,00,00,000/- (Rupees Fifty Crores only) at any given point of time, as under;

Name of the Related Party	Nature of the transaction	Nature of relationship	Material Terms and particulars of the contract/arrangement	Monetary value in ₹
Geojit Credits (P) Ltd.	Providing loan and/or giving guarantee(s), and/or providing security(ies) in connection with any loan taken/ to be taken by Geojit Credits Private Limited	Subsidiary Company	The loan will be unsecured and repayable on demand. The rate of interest will not be lower than the prevailing yield of one year, three years, five year or ten year Government Security closest to the tenor of the loan. Providing Corporate Guarantee from various Bankers will be based on terms and conditions agreed with respective Bankers.	Upto an aggregate limit of ₹ 50 Crores.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalize and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

Item No.8 - To consider obtaining loan/guarantee/security in connection with any loan taken, from Geojit Technologies (P) Ltd, Subsidiary Company.

To consider and if deemed fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT, in partial modification to the resolution passed in the Annual General Meeting held

on August 07, 2019 and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) applicable provisions, if any of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof for time being in force) and subject to such approvals, consents, sanctions and permissions, as may be necessary, and pursuant to the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to obtain loan(s) in one or more tranches from and/or obtain guarantee(s) and/or obtain security(ies) in connection with any obligation of the Company, from Geojit Technologies Private Limited, a subsidiary company of an aggregate outstanding amount not exceeding ₹ 1,75,00,00,000/- (Rupees One Hundred and Seventy Five Crores only) at any given point of time, as under.”

Name of the Related Party	Nature of the transaction	Nature of relationship	Material Terms and particulars of the contract/arrangement	Monetary value in ₹
Geojit Technologies (P) Ltd.	Obtaining loan and/or obtain guarantee(s), and/or obtain security(ies) in connection with any obligation of the Company	Subsidiary Company	The loan will be unsecured and repayable on demand. The interest will be not be lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan and not more than 200 basis point from prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan Obtaining Corporate Guarantee from various Bankers will be based on terms and conditions agreed with respective Bankers.	Upto an aggregate limit of ₹ 175 Crores.

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”, which term shall be deemed to include its “Committee of Directors”), be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any

questions, difficulties or doubts that may arise with regard to any transactions with related parties and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 101(2) OF THE COMPANIES ACT, 2013.

Item No: 4

Pursuant to the recommendation of the Nomination and Remuneration Committee at its meeting dated May 29, 2019, the Board of Directors vide its resolution dated November 14, 2019, had appointed Mr. James Varghese (DIN: 01612976) as an Additional Director (Non-Executive Independent) with effect from November 14, 2019 in accordance with the provision of Section 161 of the Act and Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. James Varghese (DIN: 01612976) holds the office up to date of the ensuing Annual General Meeting.

The Company has received notice pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing appointment of Mr. James Varghese (DIN: 01612976) as Director of the Company.

The Company has received from Mr. James Varghese (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board evaluated the performance of Mr. James Varghese and observed that he has adequate understanding and knowledge of the Company and the industry. He also has independent views and judgment about the activities of the Company and effectively contributes to the Board.

Keeping in view his vast experience and knowledge, it will be beneficial and in the interest of the Company to appoint Mr. James Varghese (DIN: 01612976) as an Independent Director of the Company.

In the opinion of the Board, Mr. James Varghese fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 as amended from time to time, for his appointment as a Non-Executive Independent Director of the Company and is independent of the management.

The Copy of the draft letter for appointment of Mr. James Varghese as an Independent Non-Executive Director setting out terms and conditions is available for inspection by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, up to and including the date of AGM of the Company. The said Letter of Appointment is also available on the website of the Company and can be accessed at <https://www.geojit.com/About-Us/pdfs/MrJamesVarghese.pdf>.

Brief profile, expertise/experience, disclosure as required under Secretarial Standards 2 and Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on General Meetings is given as an Annexure to the Notice.

The Board accordingly recommends the Resolutions set out in Item No. 4 of the accompanying notice for approval by the members of the Company as an Ordinary Resolution.

Mr. James Varghese is not related to any other Director and Key Managerial Personnel of the Company. He does not hold any Equity Share in the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. James Varghese and his relatives, to the extent of his appointment are concerned or interested, financially or otherwise, in the said resolution mentioned at Item No.4 of the accompanying Notice.

Item No: 5

Pursuant to the recommendation of the Nomination and Remuneration Committee at its meeting dated August 03, 2020, the Board of Directors vide its resolution dated August 04, 2020, had appointed Mrs. Alice Geevarghese Vaidyan (DIN: 07394437) as an Additional Director (Non-Executive Independent) with effect from August 04, 2020 in accordance with the provision of Section 161 of the Act and Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Alice Geevarghese Vaidyan (DIN: 07394437) holds the office up to date of the ensuing Annual General Meeting.

The Company has received notice pursuant to the provisions of Section 160 of the Companies Act, 2013

from a member proposing appointment of Mrs. Alice Geevarghese Vaidyan (DIN: 07394437) as Director of the Company.

The Company has received from Mrs. Alice Geevarghese Vaidyan (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board considered the profile of Mrs. Vaidyan and observed that she has vast experience and knowledge of the financial services industry. Board is of the opinion that, it will be beneficial and in the interest of the Company to appoint Mrs. Alice Geevarghese Vaidyan (DIN: 07394437) as an Independent Director of the Company.

In the opinion of the Board, Mrs. Vaidyan fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, for her appointment as a Non-Executive Independent Director of the Company and is independent of the management.

The Copy of the draft letter for appointment of Mrs. Alice Geevarghese Vaidyan as an Independent Non-Executive Director setting out terms and conditions is available for inspection by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, up to and including the date of AGM of the Company. The said Letter of Appointment is also available on the website of the Company and can be accessed at <https://www.geojit.com/About-Us/pdfs/MrsAliceGVaidyan.pdf>.

Brief profile, expertise/experience, disclosure as required under Secretarial Standards 2 and Regulation

36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on General Meetings is given as an Annexure to the Notice.

The Board accordingly recommends the Resolutions set out in Item No. 5 of the accompanying notice for approval by the members of the Company as an Ordinary Resolution.

Mrs. Alice Geevarghese Vaidyan is not related to any other Director and Key Managerial Personnel of the Company. She does not hold any Equity Share in the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mrs. Alice Geevarghese Vaidyan and her relatives, to the extent of her appointment are concerned or interested, financially or otherwise, in the said resolution mentioned at Item No.5 of the accompanying Notice.

Item No: 6

The shareholders of the Company at the Annual General Meeting held on July 30, 2015 appointed Mr. C J George as Managing Director for a term of five years commencing from November 24, 2014 up to November 23, 2019.

The Board of Directors of the Company ("the Board") at its meeting held on November 14, 2019 had, subject to the approval of members, re-appointed Mr. C J George (DIN: 00003132) as the Managing Director for a period of 5 (five) years from November 24, 2019, on such terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NR Committee') of the Board.

Mr. C J George (DIN:00003132) is not disqualified from being appointed as a Director in terms of Section 164 of Companies Act, 2013, and pursuant to Section 152 and Rule 8 of Companies (Appointment & Qualification) Rules, 2014, has given his consent to act as the Managing Director of the Company.

It is proposed to seek members' approval for the re-appointment of Mr. C J George as the Managing Director and remuneration payable to him as Managing Director of the Company, in terms of the applicable provisions of the Act and rules made thereunder. The broad particulars of the terms of appointment and remuneration payable to Mr. C J George are as under:

		Monthly	Annual
1	Basic Pay (With annual increment at 5% of monthly CTC)	7,07,385	84,88,616
2	HRA	20,000	2,40,000
3	Meals Allowance/Sodexho.	2,500	30,000
	Gross Salary	7,29,885	87,58,616
4	Company's contribution to Provident Fund @12% of Basic Pay as applicable to the employees of the Company	84,886	10,18,634

		Monthly	Annual
Monthly CTC		8,14,771	97,77,250
5	Annual Leave Travel Allowance (Half month's Basic Pay) as applicable to the employees of the Company. Family of MD means spouse, dependent children and dependent parents		3,53,692
6	Annual Medical Allowance - One month's Basic Pay annually or five months Basic Pay payable over a period of 5 years		7,07,385
7	Reimbursement of expenses towards house utilities such as Telecommunications, gas, electricity, water, housing society charges, servant's salary, maintenance of furnishings in the house occupied by MD.		5,00,000
8	Annual Premium towards Medi-claim Policy of Sum Assured ₹ 10 lacs for MD, Spouse and as applicable to the employees of the Company. (Subject to Change at the time of policy renewal)		52,336
9	Annual Premium towards Personal Accident Insurance Policy for MD for Sum Assured of ₹ 25 lacs (Subject to Change at the time of policy renewal)		648
10	Annual Premium towards Overseas Travel Insurance for Official travel of MD, by road, rail or air, for USD 5,00,000 along with riders. (Subject to Change at the time of policy renewal)		5,189
Annual CTC			1,13,96,500
11	Cost of furnishing up to ₹ 10 lakhs during the contract period (5 years) with provision to take over the furniture, fittings, appliances etc. at the time of leaving the Company at the then book value in the Company's books (or) Free furnished Company accommodation, the cost of which to the Company, not exceeding 50% of salary.		10,00,000
Other Costs			
12	Leave and Leave Encashment as applicable to the employees of the Company		
13	Annual Premium towards the Group Gratuity Scheme as applicable to the employees of the Company		
14	Residential Telephone: Personal long distance telephone calls shall be billed by the Company to the Managing Director		
15	Reimbursement of expenses actually and properly incurred by MD for the business of the Company		
16	Club fees of maximum 2 clubs which will not include admission and life membership fees		
17	Use of Company Car and Driver for Official and personal use subject to tax as per Income tax Rules.		
18	Commission: 1.5% of the net profits of the Company before tax as computed in the manner laid down in Section 198 of the Companies Act, 2013.		

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement to be entered into between the Company and Mr. C J George.

Brief profile, expertise/experience, disclosure as required under Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on General Meetings is given as an Annexure to the Notice.

The Board accordingly recommends the Resolutions set out in Item No. 6 of the accompanying notice for approval by the members of the Company as a Special Resolution.

Mr. C J George is not related to any other Director and Key Managerial Personnel of the Company.

As on March 31, 2020, Mr. George holds 4,33,13,236 Equity Shares of ₹ 1/- each, in the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. C J George and his relatives,

are concerned or interested, financially or otherwise, in the aforesaid resolution mentioned at Item No.6 of the accompanying Notice.

Item No: 7

Geojit Credits (P) Limited (GCL) is a subsidiary company, wherein your Company along with Geojit Investment Services Limited, a wholly owned subsidiary holds about 94% equity share capital. GCL is a non banking financial company.

The shareholders of the Company at the Annual General Meeting dated August 02, 2018 approved to support GCL by way of lending them for meeting its working capital requirements by way of loans, which will be unsecured, and repayable on demand at an interest which would be not less than base lending rate of State Bank of India. As per provisions of Section 186 of the Companies Act, 2013, no loan shall be given at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan.

The Company may consider giving guarantee(s) and/or provide security(ies) in connection with any loan taken/ to be taken by GCL at a revised interest rate which is not less than prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan. GCL shall use the said loan(s)/guarantee(s)/security(ies) for its principal business activities i.e. lending related activities and the matters connected and incidental thereto.

GCL is an entity falling under the category of 'any person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013. GCL being a subsidiary, consent of the shareholders is required for material related party transactions pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). In view of the aforesaid provisions, consent of the members is being sought by way of a Special Resolution pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017) for making of loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by GCL of an aggregate outstanding amount not exceeding ₹ 50,00,00,000/- (Rupees Fifty Crore only) on the terms mentioned in the resolution set out at item no.6 and necessary delegation of authority to the Board for this purpose.

Your Directors recommend the resolution set out at Item no. 7 to be passed as a Special Resolution by the members.

Except Mr. C J George (being the Managing Director and shareholder (0.91%) of GCL), Mr. R Bupathy (to the extent of being Independent Director of the Company and GCL) and Mr. Sanjeev Kumar Rajan (to the extent of being Chief Financial Officer of the Company and GCL) and their respective relatives, none of the other Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the resolution as set out at item no. 7 of accompanying Notice.

Item No: 8

Geojit Technologies (P) Ltd (GTL), a subsidiary company and a related party, is a software solutions provider wherein your company holds 65% of its capital. It is proposed to obtain approval from shareholders to obtain loan, guarantee, security for obligations of the Company, from the subsidiary in case of any working capital requirements of the Company.

The aforesaid loan will be unsecured and repayable on demand. The interest will not be lower than the

prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan and not more than 200 basis point from prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan. The Company may consider obtaining guarantee(s) and/or security(ies) in connection with any loan taken by the Company, from GTL. The Company proposes to use the said loan(s)/guarantee(s)/security(ies) for its principal business activities and the matters connected and incidental thereto.

GTL being a related party, consent of the shareholders is required for material related party transactions pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). In view of the aforesaid provisions, consent of the members is being sought by way of a Special Resolution for obtaining loan(s), and/or obtaining guarantee(s), and/or security(ies) in connection with any loan taken/ to be taken by the Company of an aggregate outstanding amount not exceeding ₹ 1,75,00,00,000/- (Rupees One hundred and Seventy-Five Crore only) on the terms mentioned in the resolution set out at item no. 8 and necessary delegation of authority to the Board for this purpose.

Your Directors recommend the resolution set out at Item no. 8 to be passed as a Special Resolution by the members.

Except M/s BNP Paribas, which holds 35% stake in GTL, Mr. Punnoose George, being Director of GTL and the Company and to the extent of his shareholding in Geojit Financial Services Limited, Mr. R Bupathy (Independent Director of the Company and GTL) and Mr. A Balakrishnan being Director of GTL and Executive Director of the Company, none of the other Promoters, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

By Order of the Board of Directors

Liju K Johnson
Company Secretary
Membership No. A21438

Place: Kochi
Date: 04.08.2020

GEOJIT FINANCIAL SERVICES LIMITED
 Registered Office: 34/659-P, Civil Line Road
 Padiyattom, Kochi - 682024, Kerala, India
 Corporate Identity Number (CIN):
 L67120KL1994PLC008403
 E mail - mailus@geojit.com, Website: www.geojit.com
 Phone: 0484-2901000, Fax: 0484-2979695

IMPORTANT NOTES:

1. Considering the present COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members at the AGM venue is not required and annual general meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The Registered Office of the Company situated at 34/659-P, Civil Line Road, Padivattom, Kochi shall be deemed as the venue for the meeting and proceedings of the AGM shall be deemed to be made thereat.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.geojit.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business as set out in Item No. 4 to 8 and relevant details in respect of Item no. 3 pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Secretarial Standard on General Meeting (SS-2) are annexed hereto.
9. Electronic copy of the Annual Report for 2019-20, the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of Remote e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.
10. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2019-20 will also be available on the Company's website www.geojit.com for their download. For any communication, the shareholders may also send requests to the Company's investor email id: companysecretary@geojit.com.

11. **Members holding shares in physical mode are requested to register their e-mail ID's with the Registrar & Share Transfer Agents (RTA) of the Company - M/s. S.K.D.C. Consultants Limited and members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is not registered.**

If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar & Share Transfer Agents of the Company in respect of shares held in physical form and to DP's in respect of shares held in electronic form.

12. Members are requested to address all correspondences, change in their bank account details, including dividend matters, to the Registrar & Share Transfer Agents M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu-641006 (Email: info@skdc-consultants.com).
13. Members desirous of getting any information on the Annual Accounts at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
14. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and Secretarial Standard on General Meeting (SS-2) issued by Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
15. The Company has transferred the unpaid or unclaimed dividend declared up to financial years 2011-12 and interim dividend declared during the year 2012-13, from time to time, to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, and the rules made there under, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company and also on the website of the Ministry of Corporate Affairs.

Members are also requested to note that dividend that are not claimed within seven years from the

date of transfer to the Company's unpaid dividend account will, as per Section 124 of Companies Act, 2013 ("Act") be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act and the applicable Rules.

16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
17. Members holding shares in physical form are requested to dematerialize their shares. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN and Bank Account Details to SKDC Consultants Limited ("RTA")/ Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook/ statement attested by the bank. Members holding shares in demat form are also requested to submit the aforesaid information to their respective Depository Participant. Members holding shares in physical form can submit their PAN details to the Company or the RTA.
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and the Certificate from Statutory Auditors of the Company as stipulated under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended, will be available electronically for inspection by the members during the Annual General Meeting.

All documents referred to in the accompanying Notice and the Explanatory Statement will

also be available electronically for inspection without any fee by the members from the date of circulation of this notice up to the date of the Annual General Meeting. Members seeking to inspect such documents can send an email to companysecretary@geojit.com.

19. Since the AGM will be held through VC/OAVM, the route map showing directions to reach the venue of the meeting is not annexed hereto.

20. Voting Through Electronic means

1. Pursuant to Section 108 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) of the Company by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services.

2. The Members will be provided the facility to cast their votes electronically at the Meeting.

The facility of casting the votes electronically by the members during the AGM will be provided by National Securities Depository Limited (NSDL).

3. **The remote e-voting period commences on Sunday, August 30, 2020 (9:00 am) and ends on Tuesday, September 01, 2020 (5:00 pm).** During this period members of the Company, holding shares either in physical form or in demat form, as on the **cut - off date of Thursday, August 27, 2020**, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
4. 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 casting the vote electronically. A person who is not a member as on the cut -off date should treat this notice for information purpose only.
5. Any person who acquires shares of the Company and becomes member of the Company after dispatch of Notice of AGM

and holds shares as on the **cut-off date i.e; Thursday, August 27, 2020**, may obtain the Log-in ID and Password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting, then you can use your existing Log-in ID and Password for casting your vote. If you forgot your password, you can reset your password by using "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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).

6. The instructions for remote e-voting:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those

shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sathveeka001@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your

password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to companysecretary@geojit.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to companysecretary@geojit.com.

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (1) or (2) as the case may be.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@geojit.com.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at companysecretary@geojit.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
21. Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed format can be obtained from the Company's Registrar and Share Transfer Agents, M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu-641006 (Email: info@skdc-consultants.com). For members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.
22. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the Dividend Warrants as per the applicable regulations of the Depository. The Company will not act on any direct request from such members for change/deletion in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants immediately.

By Order of the Board of Directors

Liju K Johnson

Company Secretary

Membership No. A21438

Place: Kochi

Date: 04.08.2020

GEOJIT FINANCIAL SERVICES LIMITED

Registered Office: 34/659-P, Civil Line Road

Padivattom, Kochi – 682024, Kerala, India

Corporate Identity Number (CIN):

L67120KL1994PLC008403

E mail – mailus@geojit.com, Website: www.geojit.com

Phone: 0484-2901000, Fax: 0484-2979695

Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2)]

Name of the Director	Mr. A Balakrishnan	Mr. James Varghese IAS (Retd.)	Mrs. Alice Geevarghese Vaidyan	Mr. C J George
Date of Birth & Age	29.05.1964, 56 yrs	28.11.1957, 62 years	22.07.1959, 61 years	22.03.1959, 61 years
Nationality	Indian	Indian	Indian	Indian
Date of first Appointment on Board	02.08.2018	14.11.2019	04.08.2020	24.11.1994
Qualifications	M.Sc., PGDCS, PGDBM	M.Sc. Zoology	MA (English Literature), Insurance Institute of India – Fellow, Harvard Business School – Leadership Strategy program	M.Com, CFP
Shareholding in Geojit Financial Services Ltd. (as on March 31, 2020)	2,51,302 equity shares of ₹ 1/- each	Nil	Nil	4,33,13,236 equity shares of ₹ 1/- each
Brief profile, experience and expertise in specific functional area	<p>Mr. A Balakrishnan was the Managing Director of Geojit Technologies (P) Ltd and is the Director of Barjeel Geojit Financial Services LLC, UAE. He joined Geojit in 1998 and has been instrumental in spearheading the transformation of Geojit into a technology-driven retail financial services intermediary that has pioneered many innovations over the years to enhance client's trading experience. In 2009, he was awarded the Kerala Management Association's "Manager of the Year" Award and in 2011 and 2013 was conferred the CIO100 Award by IDG India's CIO Magazine.</p>	<p>Mr. James Varghese, IAS, retired as the Additional Chief Secretary of Government of Kerala. An officer from Kerala Cadre, he has served in various capacities such as District Collector - Malappuram and Idukki; General Manager - Kerala Financial Corporation and Principal Secretary to Government of Kerala. He has a Master of Science degree in Zoology from University of Kerala in addition to Diploma in Management and Post Graduate Diploma in Financial Management from Indira Gandhi Open University.</p>	<p>Mrs. Alice G Vaidyan is the first lady officer to assume the post of Chairman-cum-Managing Director (CMD) of General Insurance Corporation of India and the first lady CMD in the Indian general insurance industry. Mrs. Vaidyan has over 36 years of experience and is considered among the foremost insurance experts not just in Indian insurance and reinsurance industry, but also across the globe.</p> <p>Mrs. Vaidyan joined New India Assurance Co. Limited in 1983 as direct recruit officer and rose to level of Deputy General Manager in 2008 and then joined as Deputy General Manager of General Insurance Corporation and was promoted to Chairman & Managing Director in 2016. She retired from the Company on July 31, 2019. Mrs. Vaidyan was the only Indian featured in Fortune's Global List (2018) of 50 Most Powerful Women in Business and a recipient of following awards/recognition:</p> <ul style="list-style-type: none"> Freedom of the City of London (2019) – for her work to promote insurance ties between India and UK Woman CEO of the Year (2019) – ET Prime 30 Most Powerful Women in Indian Business (2016, 2017, 2018) – Business Today Most Powerful Women in Business (2017, 2018, 2019) – Fortune India Leadership Excellence Award (2019) – ASSOCHAM 	<p>Mr. C. J. George, a financial services industry entrepreneur, is the founder and Managing Director of Geojit Financial Services Ltd.</p> <p>Mr. George has memberships in many professional bodies and is at present the Managing Committee Member of the Associated Chambers of Commerce & Industry of India (ASSOCHAM), New Delhi, the Advisory Committee Member of Indian Clearing Corporation Limited (ICCL) and a member of The Syndicate of Cochin University of Science and Technology (CUSAT).</p> <p>Mr George is a recipient of Management Leadership Award of Kerala Management Association</p>

Name of the Director	Mr. A Balakrishnan	Mr. James Varghese IAS (Retd.)	Mrs. Alice Geevarghese Vaidyan	Mr. C J George
Director of other Indian Companies (as on March 31, 2020)	1. Geojit Investment Services Limited 2. Geojit Technologies Private Limited 3. Geojit Techloan Private Limited	1. Kerala School Teachers and Non Teaching Staff Welfare Corporation Ltd 2. Kerala State Housing Development Finance Corporation Ltd. 3. Kerala State Coir Machinery Manufacturing Company Ltd	Nil	1. Geojit Credits Private Limited 2. V Guard Industries Limited 3. Kerala Infrastructure Fund Management Limited 4. CJG Holdings India Private Limited
Chairman / Member of Committees of the Boards of Indian Companies including this Company of which he is a Director	Committees in Geojit Technologies Private Limited 1. Corporate Social Responsibility Committee - Member	Nil	Nil	Committees in Geojit Financial Services Limited 1. Stakeholders' Relationship Committee - Member 2. Corporate Social Responsibility Committee - Member Committees in V-Guard Industries Limited 1. Audit Committee - Member 2. Stakeholders' Relationship and Share Transfer Committee - Member 3. Nomination and Remuneration Committee - Chairman
Terms and Conditions of appointment or re-appointment along with remuneration and the last drawn remuneration	In terms of Section 152(6) of the Companies Act, 2013, Mr. A Balakrishnan who was appointed as an Executive Director at the Annual General Meeting held on August 07, 2019, is liable to retire by rotation. ₹ 92,05,605 was paid as remuneration to Mr. A Balakrishnan during the FY 2019-20 as approved by the members in the Annual General Meeting dated 07.08.2019	Appointment as Non-Executive Independent Director, w.e.f. November 14, 2019 for a period of five years, not liable to retire by rotation. He is not eligible for remuneration other than sitting fees for attending Board & Committee Meetings. He is not eligible for remuneration other than sitting fees for attending Board & Committee Meetings. ₹ 90,000/- was paid as sitting fees for attending Board and Independent Directors' Meetings in the FY 2019-20.	Appointment as Non-Executive Independent Director, w.e.f. August 04, 2019 for a period of five years, not liable to retire by rotation. She is not eligible for remuneration other than sitting fees for attending Board & Committee Meetings.	Re-Appointment as Managing Director w.e.f. November 24, 2019 for a period of five years, not liable to retire by rotation. He is eligible for remuneration as per the details provided under Item 5 of Explanatory Statement of the accompanying Notice. ₹ 1,97,25,433 paid as remuneration for the FY 2019-20.
The Number of Meetings of the Board attended during the year	Five out of five meetings for FY 2019-20.	One Meeting post the appointment date (14.11.2019) out of five meetings for FY 2019-20.	Nil Meetings attended during the FY 2019-20.	Five out of five meetings for FY 2019-20.
Relationships with other Directors, Manager and other Key Managerial Personnel	None	None	None	None



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