

SHIVSHAKTI FINANCIAL SERVICES LIMITED
(formerly Shivshakti Financial Services Private Limited)
(CIN: U74899DL1994PLC062407)

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110 001
Email: helpdesk@indiabulls.com, Tel: 0124-6681199, Fax: 0124-6681240

NOTICE

NOTICE is hereby given that 22nd Annual General Meeting of the members of **Shivshakti Financial Services Limited** will be held on Wednesday, the 7th day of September, 2016 at 1:30 P.M. at the Registered office at M - 62 & 63, First Floor, Connaught Place, New Delhi-110001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjeev Kashyap (DIN: 03405178), who retires by rotation, and being eligible, offers himself for reappointment.
3. To ratify the appointment of Statutory Auditors of the Company to hold office as such from the conclusion of this AGM until the conclusion of the Twenty Third Annual General Meeting of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

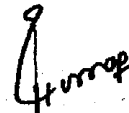
"RESOLVED THAT the appointment of M/s S A S & Co., Chartered Accountants, (Regn No. 020025N), be and are hereby ratified as the statutory auditors of the Company to hold office from the conclusion of this AGM till the conclusion of Twenty Third Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution for appointment of Mr. Aishwarya Katoch (DIN: 00557488), as Director of the Company:**

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mr. Aishwarya Katoch (DIN: 00557488), be and is hereby appointed as a director, not liable to retire by rotation."

By Order of the Board
For Shivshakti Financial Services Limited



Place: New Delhi
Date: 13.08.2016

Ravinder
Whole-time Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form duly completed must reach the registered office or Corporate office of the Company at Indiabulls House, 448-451, Udyog Vihar, Phase V, Gurgaon, not later than 48 hours before the commencement of the Meeting. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The representative so appointed, shall have the right to appoint a proxy.

2. Members desiring any information with regards to accounts/reports are requested to write to the Company at its Registered Office at least 10 days before the meeting so as to enable the Management to keep the information ready.
3. An Explanatory Statement with respect to the special business to be transacted at the meeting, as required under Section 102(1) of the Companies Act, 2013, is annexed hereto.

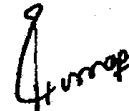
EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NOS. 4:

Mr. Aishwarya Katoch (DIN: 00557488) was appointed as additional director on the Board of the Company w.e.f. May 6, 2016. Being additional director, he hold office as such, upto the date of ensuing Annual General Meeting. The Company has received notice along with deposit in terms of Section 160 of the Companies Act, 2013, from member, proposing his candidature for the office of Director of the Company. To enable the Company to avail the continued benefit of his business acumen, experience and expertise, it is proposed to appoint him as independent-Director on the Board of the Company, as per resolution set out at Item.No. 4 of the Notice for approval as ordinary resolution.

Except the proposed appointee, in respective resolution proposing his appointment, none of the Directors or Key Managerial Persons of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

By Order of the Board
For **Shivshakti Financial Services Limited**



Ravinder
Whole-time Director

Place: New Delhi
Date: 13.08.2016

SHIVSHAKTI FINANCIAL SERVICES LIMITED
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DIRECTORS' REPORT

Dear Shareholders,

Your Directors present to you, the 22nd Annual Report together with the Audited Accounts for the year ended March 31, 2016.

FINANCIAL RESULTS

Summary of the Financial Results for the period are as under:

Particulars	For the year ended	
	(Amount Rs.)	
	31st March, 2016	31st March, 2015
Total Revenue	142,889,163	61,820,098
Total Expenses	126,498,708	56,791,950
Profit before Tax	16,390,455	5,028,148
Less: Provision for Current Tax	1,332,000	870,000
(ADD) /Less: Deferred Tax (Credit) / Expense	2,639,461	(200,274)
Less: MAT credit entitlement	(13,32,000)	0
Profit After Tax	13,750,994	4,358,422
Balance of Profit brought forward	60,476,002	57,062,907
Less: Adjustment on account of Depreciation	0	73,643
Amount available for appropriation	74,226,996	61,347,686
Less: Appropriations:		
Interim Dividend on Equity Shares	0	0
Corporate Dividend Tax on Interim Dividend on Equity Shares	0	0
Transfer to Reserve Fund (u/s 45 IC of the RBI Act 1934)	2,750,199	871,684
Transfer to Special reserve fund u/s 36(1)(viii) of the Income Tax Act,1961	0	0
Provision for dividend on Preference shares	0	0
Transfer to Capital Reserve	0	0
Balance of Profit carried forward	71,476,797	60,476,002
Earnings per Equity Share		
- Basic	5.94	1.88
- Diluted	5.94	1.88

BUSINESS REVIEW

The revenue from the operations of the Company for the financial year 2015-16 stood at Rs. 14.10 Crores and post tax profit of the Company was Rs. 1.37 Crores . The profitability of the Company is expected to grow in the coming years.

DIVIDEND

The Board of Directors of the Company has not recommended any dividend for financial year 2015-16.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Sanjeev Kashyap (DIN: 03405178), Director, retire by rotation and, being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposit from the public, falling within the ambit of Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

STATUTORY AUDITORS

M/s SAS & Co., Chartered Accountants (Regn. No. 020025N), the Statutory Auditors of the Company were appointed by the members in their 20th Annual General Meeting, held on 26/09/2014, for a period of 5 years i.e. until the conclusion of the Twenty Fifth Annual General Meeting of the Company. The Company has received a certificate from the Auditors to the effect that their continuation as such from the conclusion of this Annual General Meeting until the conclusion of Twenty Third Annual General Meeting is in accordance with the provisions of the Section 141(3)(g) of the Companies Act, 2013. The Board recommends the ratification of the appointment of M/s SAS & Co., as Statutory Auditors of the Company till the conclusion of Twenty Third Annual General Meeting of the Company.

The Auditors' Report is self-explanatory and therefore do not call for any further explanation.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2016 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) that the annual financial statements have been prepared on a going concern basis; and
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable), not elsewhere mentioned in this Report, are as under:

EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return, as on the financial year ended March 31, 2016, pursuant to Section 92(3) of the Companies Act, 2013, in form MGT-9, are given in **Annexure 1** forming part of this Report.

BOARD MEETINGS

During the FY 2015-16, Nine (4) Board Meetings were convened and held.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2015-16, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies.

The details of loans, guarantees or investments made by the Company are given in the notes to the financial statement.

RELATED PARTY TRANSACTIONS

During the year, no materially significant related party transaction was entered by the Company with its Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. Hence the information in the prescribed Format AOC – 2 is not applicable.

Further, Your Directors wish to draw attention of the members to Notes to the financial statement which sets out related party disclosures.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. March 31, 2016 and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS

Further, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, is as under:

A. Conservation of Energy

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process the following measures are undertaken to conserve energy:

- a) Implementation of viable energy saving proposals.
- b) Installation of automatic power controllers to save maximum charges and energy.
- c) Awareness and training sessions, at regular intervals, to concerned operational personnel on opportunities of energy conservation and their benefits.

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers gets answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products and customer services. The Company has taken major initiatives for improved employee experience and efficient Human resource management, by implementing world class HRMS application and empowering them by providing mobile platform to manage their work while on the go.

The Company's investment in technology has improved customer services, reduced operational cost and development of new business opportunities.

C. Foreign Exchange Earnings and Outgo

There was no foreign exchange earnings and outgo during the year under review.

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence.

PARTICULARS OF EMPLOYEES

There were no employees of the Company, employed by the Company through the year or part thereof, information in respect of which is required to be made in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

During the FY 2015-16, no company became or ceased to be subsidiary or joint venture or associate of the Company.

COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. The details of these committees are as under.

a) Audit Committee

The Audit Committee currently comprises of three members namely Mr. Joginder Singh as the Chairman, Mr. Ravinder, Mr. Manish Rustagi, as other two members.

b) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee currently comprises of three members namely Mr. Joginder Singh as the Chairman, Mr. Ravinder, Mr. Sanjeev Kashyap, as other two members. CSR contribution for FY 2015-16 was not applicable on the Company.

NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

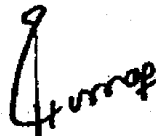
The Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee of the Company. The Company's Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

During the financial year 2015-16, no case of sexual harassment was reported.

ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made all those who were connected with the Company, for their support during the year.

For and on behalf of the Board of Directors



Ravinder
Whole-time Director
DIN : 02873125



Jogender Singh
Whole-time Director
DIN : 02873129

Place: New Delhi
Date: 04/05/2016

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74899DL1994PC062407
ii	Registration Date	27-Oct-94
iii	Name of the Company	Shivshakti Financial Services Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	M - 62 & 63, First Floor, Connaught Place, New Delhi-110001
vi	Whether listed company	No
vii	Name , Address & contact details of Registrar & Transfer Agent, if any.	NA

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	FINANCIAL INTERMEDIATION	6492	98.72%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Indiabulls Distribution Services Limited	U74999DL2009PLC191143	Holding Company	100%	Section 2(46) of Companies Act, 2013
2	Indiabulls Ventures Limited	L74999DL1995PLC069631	Ultimate Holding Company	Nil	Section 2(46) of Companies Act, 2013

SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.	0	0	0	0	0	0	0	0	0
d) Bodies Corporates*	0	2,316,600	2,316,600	100%	0	2,316,600	2,316,600	100%	0
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (1)	0	2,316,600	2,316,600	100%	0	2,316,600	2,316,600	100%	0
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	0	2,316,600	2,316,600	100%	0	2,316,600	2,316,600	100%	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	2,316,600	2,316,600	100%	0	2,316,600	2,316,600	100%	0

*Includes 6 shares held by 6 individual nominees holding 1 equity share each on behalf of Indiabulls Distribution Services Limited (body corporate)

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year (C-B-A)
		No of shares	% of total shares of the company (A)	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company (B)	% of shares pledged/encumbered to	
1	Indiabulls Distribution Services Limited*	2,316,600	100%	0	2,316,600	100%	0	0
	Total	2,316,600	100%	0	2,316,600	100%	0	0

* along with its 6 individual nominees holding 1 equity share each

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year (01-April-15)				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment)	NIL	NIL	NIL	NIL
	At the end of the year (31-March-16)				
	*No Change in shareholding				

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

Sl. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	NIL	NIL	NIL	NIL	NIL

The entire shareholding of the Company is held by its promoter i.e. Indiabulls Distribution Services Limited

(v) Shareholding of Directors & KMP
 A) Shareholding of Directors

Sl. No.	Name*	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2015 to 31-Mar-2016)	
		Date [beginning of the year (01-Apr-2015) /end of the year (31-Mar-2016)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company

Not applicable
 Shareholding of KMP

A)

Sl. No.	Name*	Shareholding			Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease	Cumulative Shareholding during the year (01-Apr-2015 to 31-Mar-2016)	
		Date [beginning of the year (01-Apr-2015) /end of the year (31-Mar-2016)]	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
	Not applicable						

*None of the Directors or Key Managerial Personnel holds any shares in the Company. The entire shareholding of the Company is held by its promoter i.e. Indiabulls Distribution Services Limited.

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
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, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount		
		Mr. Ravinder, WTD	Mr. Jogender Singh, WTD			
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	-	597,000	601,591	-	1,198,591
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	822	13,412	-	14,234
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others (specify)	-	-	-	-	-
	Others, please specify- Director Seating Fee	-	-	-	-	-
5	Total (A)	-	597,822	615,003	-	1,212,825
	Ceiling as per the Act	Rs. 17.61 lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of Directors							Total Amount (In Rs.)
1	Independent Directors								
	(a) Fee for attending board/ committee meetings								
	(b) Commission								
	(c) Others, please specify								
	Total (1)								
2	Other Non-Executive Directors	Mr. Sanjeev Kashyap	Mr. Vijay Babbar						
	(a) Fee for attending board/ committee meetings								
	(b) Commission								
	(c) Others, please specify								
	Total (2)								
	Total (B)=(1+2)								
	Total Managerial Remuneration (A) + (B)								
	Ceiling as per the Act	Rs. nil (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)							

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Manish Rustagi, Company Secretary			
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2,228,102	NA	NA	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (other than ESOP)	32,400	NA	NA	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		NA	NA	
2	Stock Option	14,340	NA	NA	
3	Sweat Equity		NA	NA	
4	Commission		NA	NA	
	as % of profit		NA	NA	
	others, specify		NA	NA	
5	Others, please specify		NA	NA	
	Total	2,274,842	NA	NA	

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



INDEPENDENT AUDITOR'S REPORT

To The Members of Shivshakti Financial Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Shivshakti Financial Services Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial Statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies ; judgments and estimate that are reasonable and prudent: and design implementation of adequate financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as March 31, 2016, and its profits and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

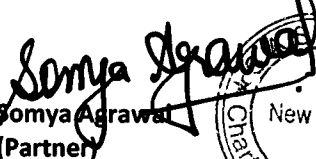
Further to our comments in the aforesaid annexure, as required by section 143(3) of the Act, we report that:


1. 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.
2. 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.
3. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors none of the director is disqualified as on March 31, 2016 from being appointed as directors in terms of section 164(2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to over separate report in "Annexure B".
7. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company does not have any pending litigations which would impact its financial position.



- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

For S A S & Co.
Chartered Accountants
Firm's Registration No. 020025N


Somya Agrawal
(Partner)
Membership No. 526790
Place: New Delhi
Date: May 04, 2016



Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Shivshakti Financial Services Limited for the year ended March 31, 2016

(i) In respect of Fixed Assets:

a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with a regular programme of verification. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) The Company does not own immovable properties.

(ii) The Company does not have any inventories; accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.

(iii) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) According to information and explanation given to us, the Company has not been entered into any transactions in respect of loans, investment guarantees and security as covered under the provisions of Section 185 and 186 of the Companies Act, 2013.

(v) According to information and explanations given to us, the Company has not accepted any deposits during the year. Accordingly, the provisions of clause 3 (v) are not applicable to the Company.

(vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 to the products/services of the Company. Accordingly, the provisions of clause 3 (vi) are not applicable to the Company.

(vii) (a) According to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, value added tax and cess and any other statutory dues to appropriate authority to the extent applicable to it. There are no arrears of outstanding statutory dues as at March 31, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company did not have any dues of income tax sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company did not have any dues in respect of loans or borrowing to a financial institution, or bank, government or dues to debenture holders.



- (ix) According to the information and explanations given to us, the Company has not raised moneys raised by way of public issue, follow-on offer (including debt instruments) and term loans, during the year under audit.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/ employees has been noticed or reported during the year.
- (xi) The Company has paid Rs 12,24,000/- as managerial remuneration in accordance with the provision of Section 197 of Companies Act 2013.
- (xii) The Company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 to the extent applicable and the details have been disclosed in Note 21 to the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanation given to us, Company has not entered into any non-cash transaction with directors or person connected with them.
- (xvi) Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

For S A S & Co.

Chartered Accountants

Firm's Registration No. 020025N

Somya Agrawal
(Partner)

Membership No. 526790

Place: New Delhi

Date: May 04, 2016



Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Shivshakti Financial Services Limited for the year ended March 31, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shivshakti Financial Services Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparations of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S A S & Co.

Chartered Accountants

Firm's Registration No. 020025

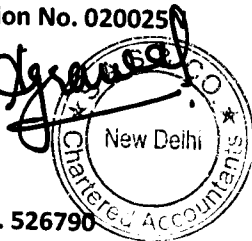

Somya Agrawal
(Partner)

(Partner)

Membership No. 526790

Place: New Delhi

Date: May 04, 2016



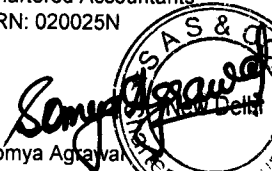
Shivshakti Financial Services Limited
(Formerly known as Shivshakti Financial Services Private Limited)
Balance Sheet as at March 31, 2016

	Note No.	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
I. Equity and liabilities			
Shareholders' funds			
(a) Share Capital	4	23,166,000	23,166,000
(b) Reserves and Surplus	5	<u>895,730,094</u>	<u>881,979,100</u>
		918,896,094	905,145,100
Non - current liabilities			
(a) Long-Term Provisions	6	<u>2,038,888</u>	<u>4,229,964</u>
		2,038,888	4,229,964
Current liabilities			
(a) Other Current Liabilities	7	123,629	241,086
(b) Short-Term Provisions	8	<u>7,768,389</u>	<u>12,216,397</u>
		7,892,018	12,457,483
Total		<u><u>928,827,000</u></u>	<u><u>921,832,547</u></u>
II. Assets			
Non - current assets			
(a) Fixed Assets			
(i) Tangible Assets	9	<u>164,882</u>	<u>238,084</u>
		164,882	238,084
(b) Deferred Tax Assets (Net)	10	1,031,995	3,671,457
(c) Long-Term Loans and Advances	11	<u>356,163,140</u>	<u>257,900,000</u>
		357,195,135	261,571,457
Current assets			
(a) Cash and Cash Equivalents	12	30,715,330	31,973,531
(b) Short-Term Loans and Advances	13	375,889,994	530,109,607
(c) Other Current Assets	14	<u>164,861,659</u>	<u>97,939,868</u>
		571,466,983	660,023,006
Total		<u><u>928,827,000</u></u>	<u><u>921,832,547</u></u>
Summary of Significant Accounting Policies	3		


The accompanying notes are an integral part of the financial statements

In terms of our report of even date attached


For S A S & Co.
Chartered Accountants
FRN: 020025N


Somya Agrawal
Partner
Membership No. 526790
New Delhi, May 4, 2016

For and on behalf of the board of directors


Ravinder
Whole Time Director
DIN: 02873125
New Delhi, May 4, 2016


Jogender Singh
Whole Time Director
DIN: 02873129


Manish Rustagi
Company Secretary
PAN: AFXPR1746N

Shivshakti Financial Services Limited
(Formerly known as Shivshakti Financial Services Private Limited)
Statement of Profit and Loss for the year ended March 31, 2016

	Note No.	Year ended March 31, 2016 Amount (Rs.)	Year ended March 31, 2015 Amount (Rs.)
Income			
I. Revenue from operations	15	141,061,020	58,536,957
II. Other income	16	1,828,143	3,283,141
III. Total revenue (I + II)		<u>142,889,163</u>	<u>61,820,098</u>
IV. Expenses			
Employee benefits expense	17	3,960,862	4,091,865
Finance costs	18	19,658	37,969
Depreciation / amortisation		123,067	136,764
Other expenses	19	122,395,121	52,525,352
Total expenses		<u>126,498,708</u>	<u>56,791,950</u>
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		16,390,455	5,028,148
VI. Exceptional items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		16,390,455	5,028,148
VIII. Extraordinary items		-	-
IX. Profit/(Loss) before tax (VII- VIII)		16,390,455	5,028,148
X. Tax expense:			
(1) Current tax		1,332,000	870,000
Less: MAT credit entitlement		(1,332,000)	-
(2) Deferred tax		<u>2,639,461</u>	<u>(200,274)</u>
		2,639,461	669,726
XI. Profit/(Loss) for the year from continuing operations (IX-X)		13,750,994	4,358,422
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI + XIV)		<u>13,750,994</u>	<u>4,358,422</u>
XVI. Earnings per equity share:	22		
(1) Basic		5.94	1.88
(2) Diluted		5.94	1.88
Face value per equity share (Rs.)		10.00	10.00


Summary of Significant Accounting Policies 3

The accompanying notes are an integral part of the financial statements

In terms of our report of even date attached

For S A S & Co.
Chartered Accountants
FRN: 020025N

Somya Agrawal
Somya Agrawal
Partner
Membership No. 526790
New Delhi, May 4, 2016



For and on behalf of the board of directors

Ravinder
Ravinder
Whole Time Director
DIN: 02873125
New Delhi, May 4, 2016

Jogender Singh
Jogender Singh
Whole Time Director
DIN: 02873129

Manish Rustagi
Manish Rustagi
Company Secretary
PAN: AFXPR1746N

Shivshakti Financial Services Limited
(Formerly known as Shivshakti Financial Services Private Limited)
Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016		Year ended March 31, 2015	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
A Cash flow from operating activities :				
Net Profit /(Loss) before tax		16,390,455		5,028,148
Adjustments for :				
Depreciation	123,067		136,764	
Contingent Provisions against Standard Assets	66,689,404		49,300,000	
Provision for Gratuity and Compensated Absences	47,715		335,390	
Dividend on Units of Mutual Funds	(1,827,338)		(3,282,086)	
		<u>65,032,848</u>		<u>46,490,068</u>
Operating Profit / (Loss) before Working Capital Changes		<u>81,423,303</u>		<u>51,518,216</u>
Adjustments for:				
Trade and other receivables	(83,901,806)		(27,580,828)	
Trade Payables and other liabilities	(117,457)		184,925	
		<u>(84,019,263)</u>		<u>(27,395,903)</u>
Cash generated from/(used in) Operating Activities		<u>(2,595,960)</u>		<u>24,122,313</u>
Direct taxes refund/(paid)		(439,714)		(817,801)
Net cash generated from/(used in) Operating Activities		<u>(3,035,674)</u>		<u>23,304,512</u>
B Cash flow from investing activities :				
Purchase of Fixed Assets		(49,865)		-
Dividend on Units of Mutual Funds		1,827,338		3,282,086
Net cash generated from/(used in) Investing Activities		<u>1,777,473</u>		<u>3,282,086</u>
C Cash flow from financing activities				
Net cash generated from/(used in) Financing Activities		<u>-</u>		<u>-</u>
D Net increase/(decrease) in cash and cash equivalents (A+B+C)		(1,258,201)		26,586,598
E Cash and cash equivalents at the beginning of the year		31,973,531		5,386,933
F Cash and cash equivalents at the close of the year (D + E)		<u>30,715,330</u>		<u>31,973,531</u>

Notes :

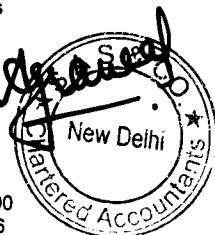
- The figures of the previous year are regrouped wherever considered necessary.
- The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS)-3 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- Cash and cash equivalents as at the close of the Year include:

Cash In Hand			
Balances with Banks:		28,716	29,865
- in current accounts		30,686,614	31,943,666
Cash and Cash Equivalents at the end of the year		<u>30,715,330</u>	<u>31,973,531</u>

In terms of our report of even date attached

For S A S & Co.
Chartered Accountants
FRN: 020025N

Somya Agrawal
Partner
Membership No. 526790
New Delhi, May 4, 2016



For and on behalf of the board of directors

Ravinder
Whole Time Director
DIN: 02873125
New Delhi, May 4, 2016

Jogender Singh
Whole Time Director
DIN: 02873129

Manish Rustagi
Company Secretary
PAN: AFXPR1746N

Shivshakti Financial Services Limited
(Formerly known as Shivshakti Financial Services Private Limited)
Notes to financial statements for the year ended March 31, 2016

Note - 1

Company Overview:

Malpani Securities Private Limited was incorporated on October 27, 1994 to carry on its business of stock and share broking. In accordance with the provisions of Section 21 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on January 12, 2010, accorded their approval to change the name of the company. The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated January 13, 2010 in respect of the said change. Accordingly, the name of the Company was changed from Malpani Securities Private Limited to Shivshakti Financial Services Private Limited ("SFSP" or "the Company"). 4. In accordance with the provisions of Section 17 and other applicable provisions of the Companies Act, 1956, the members of the company at their Extraordinary General Meeting held on December 24, 2009, accorded their approval to amend in main objects of the company to carry the business of investment in various subsidiaries and also to invest, acquire, hold, purchase or procure equity shares, debentures, bonds, mortgages, obligations, securities of any kind issued or guaranteed by any company and provides loans and other credit facilities. In accordance with the provisions of Section 18 and other applicable provisions of the Companies Act, 2013, the members of the company at their Extraordinary General Meeting held on October 7, 2014, accorded their approval for conversion from private limited company to public limited company. The Company has since received a fresh certificate of incorporation consequent upon conversion from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated February 5, 2015 in respect of the said change. Accordingly, the name of the Company was changed from Shivshakti Financial Services Private Limited to Shivshakti Financial Services Limited ("SFSL" or "the Company").

Note - 2

Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Note - 3

Significant Accounting Policies:

a) Prudential Norms:

The Company follows the Reserve Bank of India ("RBI") Directions in respect of "Non-Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Directions, 2015"), dated March 27, 2015, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the RBI Directions, 2015.

b) Use of Estimates:

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made by management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialised.

c) Revenue Recognition:

- Interest Income from financing activities and others is recognised on an accrual basis.
- Dividend Income on units of Mutual Fund is recognized when the right to receive dividend is unconditionally established and any gains/losses are recognized on the date of redemption.
- Transactions in respect of Investment / Dealing in Securities are recognised on trade dates.
- Income from interest from fixed deposits is recognized on accrual basis.

d) Fixed Assets:

(i) Tangible Assets:

Tangible fixed assets are stated at cost, net of tax / duty credits availed, if any, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation and any attributable cost of bringing the asset to its working condition for its intended use.

(ii) Intangible Assets:

Intangible assets are stated at cost, net of tax / duty credits availed, if any, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

e) Depreciation / Amortisation:

Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on additions to fixed assets is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction / scrapping, as the case may be. Assets taken on finance lease are depreciated over the tenure of the lease. Assets costing Rs. 5,000 or less per item are fully depreciated in the year of purchase.

Shivshakti Financial Services Limited
(Formerly known as Shivshakti Financial Services Private Limited)
Notes to financial statements for the year ended March 31, 2016

f) Impairment of Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

g) Investments:

Investments are classified as long term and current investments. Long term investments are carried at cost less provision if any for any diminution other than temporary in their value. Current investments are valued at lower of cost and fair value.

h) Taxes on Income:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates at the Balance Sheet Date, as applicable, to the extent that the timing differences are expected to crystallise.

Deferred Tax Assets are recognised where realisation is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognised only if there is a virtual certainty of realisation backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

i) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. All other borrowing costs are charged to statement of Profit and Loss.

j) Preliminary Expenses:

Preliminary expenses are adjusted against Securities Premium account net of tax to the extent available, and the balance, if any, is charged off to the profit and loss account, as incurred.

k) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

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Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 4

Share Capital:

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Authorised				
Equity Shares of face value of Rs. 10 each	2,316,600	23,166,000	2,316,600	23,166,000
Compulsorily Convertible Preference Shares of face value of Rs. 10 each	7,683,400	76,834,000	7,683,400	76,834,000
		100,000,000		100,000,000
Issued, Subscribed And Paid Up				
Equity Shares of face value of Rs. 10 each fully paid up	2,316,600	23,166,000	2,316,600	23,166,000
As Per Balance Sheet		23,166,000		23,166,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Opening balance at the beginning of the year	2,316,600	23,166,000	2,316,600	23,166,000
Add: Issued during the period:	-	-	-	-
Outstanding at the end of the year	2,316,600	23,166,000	2,316,600	23,166,000

b. Terms/rights attached to equity shares / preference shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has only one class of preference shares having a par value of Rs. 10 per share. These can be converted in equity shares at any time up to 5 years from date of issuance. These shares carry 10% as dividend percentage which is to be paid as and when declare and approve by Board of Directors.

c. Shares held by Shareholders holding more than 5% shares:

No. of Shareholders	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up	2,316,600	100%	2,316,600	100%
The entire share capital is held by One shareholder (The Holding Company including its nominees)				

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) Employee Stock Option Schemes: (Refer Note 28)

Note - 5

Reserves And Surplus:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Securities Premium Account		
Balance as at the beginning of the year	792,000,000	792,000,000
Add: Additions during the year	-	-
Less: Utilised during the year	792,000,000	792,000,000
	792,000,000	792,000,000
Capital Redemption Reserve		
Balance as per last Balance Sheet	10,000,000	10,000,000
Add: Amount Transferred during the year	-	-
	10,000,000	10,000,000
Reserve Fund (U/s 45-IC of RBI Act, 1934)		
Balance as per last Balance Sheet	19,503,098	18,631,414
Add: Amount Transferred during the year	2,750,199	871,684
	22,253,297	19,503,098
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	60,476,002	57,062,907
Less: Adjustments on account of opening depreciation	-	(73,643)
due to change in useful lives of Fixed Assets	-	-
Add: Profit / (Loss) for the year	13,750,994	4,358,422
Amount available for appropriation (A)	74,226,996	61,347,686
Appropriations:		
Amount transferred during the year to Reserve Fund (U/s 45-IC of the RBI Act, 1934) (B) ⁽¹⁾	2,750,199	871,684
Transfer to Capital Redemption Reserve	-	-
Balance of Profit carried forward (A)-(B)	71,476,797	60,476,002
As Per Balance Sheet	896,730,094	881,979,100

(1) In terms of Section 45-IC of the R.B.I. Act, 1934, the Company is required to transfer at least 20% of its Net Profits to a reserve before any dividend is declared. As at the year end, the Company has transferred an amount of Rs. 2,750,199 (Previous year Rs. 871,684) to the Reserve Fund.

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 6
Long-Term Provisions

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Provision for Loan Assets	335,798	2,997,186
Contingent Provisions against Standard Assets	1,068,489	644,750
Provision for Gratuity (Refer Note : 23)	500,393	467,891
Provision for Compensated Absences (Refer Note : 23)	134,208	120,137
As Per Balance Sheet	2,038,888	4,229,964

Note - 7
Other Current Liabilities

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Statutory liabilities	31,382	176,886
Other payable	92,247	64,200
As Per Balance Sheet	123,629	241,086

Note - 8
Short-Term Provisions

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Provision for Gratuity (Refer Note : 23)	16,944	16,074
Provision for Compensated Absences (Refer Note : 23)	4,233	3,961
Provision for Loan Assets	292,957	5,404,053
Contingent Provisions against Standard Assets	932,173	1,162,512
Provision for taxation	6,522,082	5,629,797
[Net of tax deducted at source/advance tax of Rs. 81,808,084 (Previous year Rs. 81,368,369)]		
As Per Balance Sheet	7,768,389	12,216,397

Note - 9
Tangible Assets

Particulars	Computers	Office Equipment	Total
Opening balance as at April 1, 2014	303,787	343,392	647,179
Additions during the year	-	-	-
Adjustments/Sales during the year	-	-	-
As at March 31, 2015	303,787	343,392	647,179
Additions during the year	49,865	-	49,865
Adjustments/Sales during the year	-	-	-
As at March 31, 2016	353,652	343,392	697,044
Depreciation			
Opening balance as at April 1, 2014	163,176	36,612	198,688
Charge for the year	38,016	98,748	136,764
Special Depreciation	73,643	-	73,643
Adjustments/Sales during the year	-	-	-
As at March 31, 2015	274,835	134,260	409,095
Charge for the year	29,679	93,388	123,067
Special Depreciation	-	-	-
Adjustments/Sales during the year	-	-	-
As at March 31, 2016	304,514	227,648	532,162
Net block			
As at March 31, 2015	28,952	209,132	238,084
As at March 31, 2016	49,138	115,744	164,882

In accordance with the requirements of Schedule II of the Companies Act, 2013, during the previous year ended March 31, 2015, the Company had reassessed the useful lives and residual values of its fixed assets and an amount of Rs. 73,643 was adjusted from opening balance of retained earnings in respect of assets whose remaining useful life was NIL as at April 01, 2014 and an amount of Rs. 107,251 was charged to the Statement of Profit and Loss for the year ended March 31, 2015 representing the additional depreciation on the carrying value of its assets as at April 01, 2014 due to change in useful lives of the assets.

Note - 10
Deferred Tax Assets (Net):

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Deferred Tax Assets		
Contingent Provisions against Standard Assets	812,490	3,469,889
Arising on account of temporary differences due to:		
- Disallowance under Section 40A(7) of the Income-Tax Act, 1961	159,857	164,500
- Disallowance under Section 43B of the Income Tax Act, 1961	42,778	42,181
- On account of fixed assets	16,870	-
Deferred Tax Liabilities		
On account of fixed assets	-	5,093
Deferred Tax Assets (Net)	1,031,995	3,671,467

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 11

Long term loans and advances:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Loans and other credit facilities		
Unsecured Loans (Refer Note 27) - Considered Good	354,831,140	257,900,000
MAT credit Entitlement	1,332,000	-
As Per Balance Sheet	356,163,140	257,900,000

Note - 12

Cash and Cash Equivalents

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
(a) Balance with banks In Current accounts	30,686,614	31,943,666
(b) Cash on hand	28,716	29,865
As Per Balance Sheet	30,715,330	31,973,531

Note - 13

Short-Term Loans And Advances:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
(a) Loans and Other Credit Facilities		
Unsecured Loans (Refer Note 27) - Considered Good	310,724,464	465,004,691
(b) Others		
(i) Security deposits		
Unsecured, considered good	66,000	66,000
(ii) Advances recoverable in cash or in kind or for value to be received Unsecured, considered good	17,647,409	17,586,795
(c) Advance income tax/tax deducted at source (Net of Provision for taxation Rs. 5,000,000 (Previous year Rs. 5,000,000))	47,452,121	47,452,121
As Per Balance Sheet	375,889,994	530,109,607

Note - 14

Other current assets:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Income accrued		
Interest accrued on Loans	164,861,659	97,939,868
As Per Balance Sheet	164,861,659	97,939,868

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

	For the Year ended March 31, 2016 Amount (Rs.)	For the Year ended March 31, 2015 Amount (Rs.)
Note - 15		
Revenue From Operations		
Interest from Financing Activities	111,061,020	58,536,957
Bad Debts Recovered	30,000,000	-
As Per Statement of Profit and Loss	141,061,020	58,536,957
Note - 16		
Other Income		
Dividend income on current investments	1,827,338	3,282,086
Miscellaneous Income	805	1,055
As Per Statement of Profit and Loss	1,828,143	3,283,141
Note - 17		
Employee Benefits Expense:		
Salaries	3,911,737	3,752,055
Staff Welfare Expenses	-	3,400
Contribution to Provident Fund and Other Funds	1,410	1,020
Provision for Gratuity and Compensated Absences (Refer Note: 23)	47,715	335,390
As Per Statement of Profit and Loss	3,960,862	4,091,865
Note - 18		
Interest And Finance Cost		
Bank Charges	17,868	37,969
Interest on Taxes	1,790	-
As Per Statement of Profit and Loss	19,658	37,969
Note - 19		
Other Expenses		
Lease Rent	363,817	406,920
Rates & Taxes	13,644	9,788
Communication Expenses	-	5,741
Professional Charges	55,295,869	1,655,765
Office Maintenance	4,560	24,844
Printing and stationery	1,572	2,478
Stamp Paper Expenses	1,100	-
Donation	-	1,070,000
Auditors' Remuneration - Audit fees (Excluding Service Tax)	25,000	25,000
Conveyance Expenses	125	9,140
Electricity Expenses	-	10,230
Contingent Provisions	66,689,404	49,300,000
Miscellaneous Expenses	30	5,446
As Per Statement of Profit and Loss	122,395,121	52,525,362

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 20

Segment Reporting:

The Company operates in one reportable business segment namely – Finance and investing related activities (as per object) and one reportable geographical segment, i.e. 'within India'. Hence, no separate information for segment wise disclosure is required Primary segment information (by business segments).

Note - 21

Related Party Disclosures:

Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended:

(a) Details of related parties:

Description of relationship	Names of related parties	
Ultimate Holding Company	Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited)	
Holding Company	Indiabulls Distribution Services Limited	
Fellow Subsidiary Companies (including step down subsidiaries)	Pushpanjli Finsolutions Limited (formerly known as Pushpanjli Finsolutions Private Limited)	
	Astibe Builders Limited (formerly known as Astibe Builders Private Limited)	
	Astraea Constructions Limited (formerly known as Astraea Constructions Private Limited)	
	Silenus Buildtech Limited (formerly known as Silenus Buildtech Private Limited)	
	Arbutus Constructions Limited (formerly known as Arbutus Constructions Private Limited)	
	Gyansagar Buildtech Limited (formerly known as Gyansagar Buildtech Private Limited)	
	Pushpanjli Fincon Limited (formerly known as Pushpanjli Fincon Private Limited)	
	India Land And Properties Limited	
	Auxesia Soft Solutions Limited	
	Indiabulls Commodities Limited	
	Devata Tradelink Limited	
	Positive Housing Private Limited	
	Indiabulls Brokerage Limited	
	Indie Ethanol and Sugar Limited	
	Indiabulls Alternate Investment Limited (w.e.f. February 10, 2016)	
	Key Management Personnel	Mr. Ravinder, Whole Time Director Mr. Joginder Singh, Whole Time Director Mr. Vijay Babbar, Director Mr. Sanjeev Kasyp, Director Mr. Sameer Gehlaut, Individual exercising significant influence Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited

(b) Significant Transactions with Related Parties during the year ended March 31, 2016: (Amount in Rs.)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
Finance				
Inter Corporate Deposit Given (Maximum Balance Outstanding during the year)	-	215,523,590	-	215,523,590
Interest income on Inter Corporate Deposit	-	232,936,000	-	232,936,000
	-	23,115,177	-	23,115,177
	-	17,000,739	-	17,000,739
Expenses				
Consultancy Fees Paid	47,000,000	-	-	47,000,000
Salary Paid	-	1,250,000	-	1,250,000
	-	-	1,224,000	1,224,000
	-	-	993,000	993,000

Note: Figures in italic relates to the previous year

(c) Statement of Material Transactions: (Amount in Rs.)

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Finance		
Inter corporate deposit given		
- Pushpanjli Fincon Limited	87,023,590	81,936,000
- Gyansagar Buildtech Limited	128,500,000	129,500,000
- Arbutus Constructions Limited	-	21,500,000
Interest Income		
- Pushpanjli Fincon Limited	7,690,018	20,203
- Gyansagar Buildtech Limited	15,425,161	15,437,196
- Arbutus Constructions Limited	-	1,543,340
Expenses		
Consultancy Fees Paid		
- Astibe Builders Limited	-	250,000
- Silenus Buildtech Limited	-	150,000
- Astraea Constructions Limited	-	850,000
- Indiabulls Distribution Services Limited	47,000,000	-
Remuneration		
- Joginder Singh	612,000	496,500
- Ravinder	612,000	496,500

(d) Outstanding at Year ended March 31, 2016:

Nature of Transaction	Fellow Subsidiaries	Total
	Amount (Rs.)	Amount (Rs.)
Inter corporate deposit given	215,523,590	215,523,590
	208,336,000	208,336,000

(Previous year's figures are stated in italics)

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above as identified by the Company and relied upon by the Auditors.

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 22

Earnings per share:

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of employee stock option plan as appropriate.

Particulars	Year Ended	Year Ended
	March 31, 2016	March 31, 2015
Net Profit/(Loss) available for Equity Shareholders (Rs.)	13,750,994	4,358,422
Weighted average number of Equity Shares used for computing Basic earnings per share	2,316,600	2,316,600
Weighted average number of Equity Shares used for computing Diluted earnings per share	2,316,600	2,316,600
Face/Nominal Value of Equity Shares – (Rs.)	10.00	10.00
Earnings Per Share – Basic (Rs.)	5.94	1.88
Earnings Per Share – Diluted (Rs.)	5.94	1.88

Note - 23

Employee benefits:

Provision for Gratuity and Compensated Absences for all employees is based upon actuarial valuation done at the end of every financial year/period. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard 15 (Revised) on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosure in respect of Gratuity and Compensated Absences:

(Amount in Rs.)

Particulars	Gratuity	Gratuity	Compensated	Compensated
	(unfunded)	(unfunded)	absences	absences
	March 31, 2016	March 31, 2015	(unfunded)	(unfunded)
			March 31, 2016	March 31, 2015
Reconciliation of liability recognized in the Balance sheet:				
Present value of commitments (as per actuarial valuation)	517,337	483,965	138,441	124,098
Fair value of plans	-	-	-	-
Net liability in the Balance sheet (Actuals)	517,337	483,965	138,441	124,098
Movement in net liability recognized in the Balance sheet:				
Net liability as at beginning of the year	483,965	158,746	124,098	113,927
Net expense/(gain) recognized in the Profit and Loss account	109,369	325,219	14,343	10,171
Benefits paid during the year	75,997	-	-	-
Contribution during the year	-	-	-	-
Net liability as at end of the year	517,337	483,965	138,441	124,098
Expense recognized in the Profit and Loss account:				
Current service cost	52,271	56,986	16,926	17,255
Interest cost	39,927	13,493	10,238	9,684
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	17,171	254,740	(12,821)	(16,768)
Expense/(income) charged to the Profit and Loss account	109,369	325,219	14,343	10,171
Return on plan assets:				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-
Reconciliation of defined-benefit commitments:				
As at beginning of the year	483,965	158,746	124,098	113,927
Current service cost	52,271	56,986	16,926	17,255
Interest cost	39,927	13,493	10,238	9,684
Paid benefits	75,997	-	-	-
Actuarial (gains)/ losses	17,171	254,740	(12,821)	(16,768)
Commitments as at end of the year	517,337	483,965	138,441	124,098
Reconciliation of plan assets:				
Plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions during the year	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Plan assets as at end of the year	-	-	-	-

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Year ended	Year ended
	March 31, 2016	March 31, 2015
Discount rate – Gratuity and Compensated	8.00%	8.25%
Expected return on plan assets	N.A.	-
Expected rate of salary increase	5.00%	5.00%
Mortality table	IALM (2006-08)	IALM (2006-08)

(Amount in Rs.)

Particulars	Gratuity	Gratuity	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)
	2015-16	2014-15	2013-14
Experience adjustment:			
On plan liabilities (Gain)	1,828	(235,912)	-
On plan assets (Gain/ (Loss))	-	-	-
Present value of benefit obligation	517,337	483,965	158,746
Fair value of plan assets	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	517,337	483,965	158,746
Compensated Absences (Unfunded)			
Experience adjustment:			
On plan liabilities (Gain)	18,028	21,490	(65,264)
On plan assets (Gain/ (Loss))	-	-	-
Present value of benefit obligation	124,098	124,098	113,927
Fair value of plan assets	-	-	-
Excess of (obligation over plan assets) / plan assets over obligation	124,098	124,098	113,927

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is Rs. 126,382 (Previous year Rs. 133,304) and Rs. 31,182 (Previous year Rs. 30,217) respectively.

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Notes to financial statements for the year ended March 31, 2016

Note - 24
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 25

The Company has taken office premises on operating lease at various locations and lease rent amounting to Rs. 363,817 (Previous Year Rs. 406,920) in respect of the same have been charged to Statement of Profit and Loss. The agreements have been executed for a period ranging from 11 months to 3 years with a renewable clause and also provide for termination at will by either party giving a prior notice period of 30 to 90 days. The minimum lease rental outstanding as at March 31, 2016 are as under:

	As at March 31, 2016 Amount (Rs.)	As at March 31, 2015 Amount (Rs.)
Within one year	--	394,815
One to Five years	--	--
More than Five years	--	--

Note - 26

(a) Secured Loans given to customers amounting to Rs. Nil (Previous Year Rs. Nil) are secured against securities both tradable and listed and mortgage of properties.

(b) Unsecured Loans comprise of Business Loans given to customers aggregating to Rs. 665,555,604 (Previous Year Rs. 722,904,691).

(c) In terms of RBI/2014-15/299 DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014 as amended, every Non Banking Financial Company ("NBFC") is required to make a general provision on standard assets at 0.30 percent (Previous year 0.25 percent) of the outstanding standard assets as at the year end. Accordingly, the Company has recognized Contingent Provisions against Standard Assets of Rs. 2,000,662 as at March 31, 2016 (Previous year Rs. 1,807,262).

Note - 27

Schedule in terms of Annex I of Non-Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 as at March 31, 2016;

Particulars	(Amount in Rs.)	
	Amount Outstanding	Amount Overdue
Liabilities side :		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	NIL	NIL
: Unsecured	NIL	NIL
(other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans - (specify nature)	NIL	NIL

Particulars	Amount Outstanding
Assets side :	
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	NIL
(a) Secured (net of provisions)	666,887,604
(b) Unsecured (net of provisions)	
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors	NIL
(a) Financial lease	NIL
(b) Operating lease	
(ii) Stock on hire including hire charges under sundry debtors	NIL
(a) Assets on hire	NIL
(b) Repossessed Assets	
(iii) Other loans counting towards AFC activities	NIL
(a) Loans where assets have been repossessed	NIL
(b) Loans other than (a) above	
(4) Break-up of Investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	
2. Unquoted :	NIL
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	
Long Term investments :	
1. Quoted :	NIL
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	
2. Unquoted :	NIL
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	

Category	Amount net of provisions (Rs.)		
	Secured	Unsecured	Total
1. Related Parties	NIL	NIL	NIL
(a) Subsidiaries	NIL	215,523,590	215,523,590
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	451,364,014	451,364,014
2. Other than related parties	NIL	666,887,604	666,887,604
Total	NIL	666,887,604	666,887,604

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Note - 27: (Continued)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/ Break up Value or Fair Value or NAV (Rs.)	Book Value (Net of Provision) (Rs.)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	NIL	NIL
Total	NIL	NIL

(7) Other Information:

Particulars	Amount (Rs.)
(I) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(II) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(III) Assets acquired in satisfaction of debt	NIL

Disclosures in terms of Paragraph 9.6 read with Annexure 4 of Revised Regulatory Framework for NBFC dated November 10, 2014 vide circular no. RB/2014-15/299 DNBR (PD) CC.No.002/03.10.001/2014-15.

(i) Disclosure for Capital to Risk Assets Ratio (CRAR):-

Items	As at March 31, 2016	As at March 31, 2015
(i) CRAR (%)	108.51%	108.70%
(ii) CRAR - Tier I Capital (%)	108.20%	107.48%
(iii) CRAR - Tier II Capital (%)	0.31%	1.22%

(ii) Exposure to Real Estate Sector:-

Category	Amount (Rs. in Crore)	
	As at March 31, 2016	As at March 31, 2015
Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	--	--
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	--	--
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	--	--
b. Commercial Real Estate	--	--
Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	--	--

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

(iii) Maturity pattern of certain items of assets and liabilities as at March 31, 2016:

	Amount (Rs. in Crore)								Total
	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 yrs	Over 3 to 5 yrs	Over 5 years	
Liabilities									
Borrowing from banks	-	-	-	-	-	-	-	-	-
Market borrowings	-	-	-	-	-	-	-	-	-
Assets									
Advances	-	-	-	-	39.77	26.78	-	-	66.55
Investments	0.06	0.06	0.07	0.15	51.12	20.84	-	-	72.30
	-	-	-	-	-	-	-	-	-

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

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Note - 28

Employee Stock Option Scheme of Indiabulls Ventures Limited (formerly known as Indiabulls Securities Limited) ("IVL" "the ultimate holding Company"):

Employees Stock Option Scheme - 2008

Pursuant to approval of the shareholders of IVL on January 19, 2009 IVL had cancelled and withdrawn the existing "Employee Stock Option Scheme - 2007", covering 15,000,000 stock option and established a new Employee Stock Option Scheme titled "Employee Stock Option Scheme - 2008" ("Scheme") in accordance with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines"). Under the Scheme, IVL was authorised to grant 20,000,000 equity settled options to eligible employees including its directors (other than promoter directors) and employees of its subsidiary companies (including step down subsidiaries) including their directors. All options under the Scheme are exercisable for equity shares of IVL. Employees of IVL and its subsidiaries (including step down subsidiaries) covered by the Scheme were granted an option to purchase shares of IVL subject to the requirements of vesting. A Compensation Committee constituted by the Board of Directors of IVL administered the plan.

The Compensation Committee at its meeting held on January 24, 2009, had granted, under the "Indiabulls Ventures Limited Employees Stock Option Scheme - 2008" ("IBVL ESOP - 2008") (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Securities Limited Employees Stock Option Scheme - 2008"), 20,000,000 Stock Options representing an equal number of equity shares of face value Rs 2 each in IVL, to the eligible employees of IVL and its subsidiaries (including step down subsidiaries), at an exercise price of Rs 17.40, which was the latest available closing market price on the National Stock Exchange of India Ltd, as on January 23, 2009, following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employee Share based Payments ("the Guidance Note"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. The Stock Options so granted, vest in the eligible employees over a period of 10 years beginning from January 25, 2010 being the first vesting date. The options granted under each of the slabs, can be exercised by the grantees within a period of five years from the relevant vesting date.

Particulars	IBVL ESOP - 2008
(1) Exercise price	Rs. 17.40
(2) Expected volatility	79%
(3) Expected forfeiture percentage on each vesting date	Nil
(4) Option Life (Weighted Average)	11 Years
(5) Expected Dividends yield	22.99%
(6) Risk Free Interest rate	6.50%
The fair value of the options under the plans using the Black-Scholes model based on the above parameters:	Rs. 0.84

The expected volatility was determined based on historical volatility data.

Employees Stock Option Scheme - 2009

The Shareholders of IVL at their Annual General Meeting held on September 30, 2009 had authorised IVL to grant 20,000,000 options, representing equivalent number of Equity shares of face value Rs. 2 each in one or more tranches, pursuant to a new employee stock option scheme titled as "Indiabulls Ventures Limited Employees Stock Option Scheme - 2009" ("IBVL ESOP - 2009") (title changed by Compensation Committee at its meeting held on August 28, 2015 from "Indiabulls Ventures Limited Employees Stock Option Scheme - 2009"). The options covered thereunder would be granted, at market price on the day of prior to the date of grant and on such terms and conditions as may be decided by the Board of Directors of IVL, to the eligible employees of IVL and its subsidiaries (including step down subsidiaries). The Compensation Committee constituted by the Board of Directors of IVL had, at its meeting held on December 1, 2009, granted, under the "IBVL ESOP - 2009" 10,000,000 Stock Options representing an equal number of equity shares of face value Rs.2 each in IVL, at an exercise price of Rs.35.25, being the latest available closing market price on the National Stock Exchange of India Ltd., as on November 30, 2009. The Stock Options so granted, shall vest uniformly within 10 years beginning from December 2, 2010 being the first vesting date. The option granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Further, the Compensation Committee constituted by the Board of Directors of IVL had, at its meeting held on April 12, 2010, granted, under the "IBVL ESOP - 2009" 2,050,000 Stock Options representing an equal number of equity shares of face value Rs.2/- each in IVL, at an exercise price of Rs. 31.35, being the latest available closing market price on the National Stock Exchange of India Ltd., as on April 9, 2010. The Stock Options so granted, vest uniformly within 10 years beginning from April 13, 2011 being the first vesting date. The option granted under each of the slabs, can be exercised within a period of five years from the relevant vesting date. Further, the Compensation Committee constituted by the Board of Directors of IVL had, at its meeting held on August 25, 2015, regranted surrendered and lapsed options eligible for regrant under the IBVL ESOP - 2009 1,00,00,000 (one Crore) Stock Options representing an equal number of equity shares of face value of Rs. 2/-each in the Company, at an exercise price of Rs.27.45, being the latest available closing market price on the National Stock Exchange of India Ltd., as on August 24, 2015. The stock options so granted, shall vest uniformly over a period of 5 years beginning from August 26, 2016, the first vesting date, the options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Particulars No. of Shares	IBVL ESOP - 2009		
	10,000,000	2,050,000	10,000,000 (Regrant)
(1) Exercise price	Rs. 35.25	Rs. 31.35	Rs. 27.45
(2) Expected volatility	77%	48.96%	38.59%
(3) Expected forfeiture percentage on each vesting date	Nil	Nil	Nil
(4) Option Life (Weighted Average)	10 Years	10 Years	7 Years
(5) Expected Dividends yield	13.48%	6.86%	9.16%
(6) Risk Free Interest rate	7.50%	8.05%	6.50%
The fair value of the options under the plans using the Black-Scholes model based on the above parameters:	Rs.6.48	Rs.9.39	Rs.4.77

The expected volatility was determined based on historical volatility data.

There is no impact on the Company's net profit after taxes and earnings per share in respect of IVL ESOS 2008 and IVL ESOS 2009, had the compensation cost for the stock options granted been determined based on the fair value approach.

The other disclosures in respect of the above Schemes are as under:-

	IBVL ESOP -		IBVL ESOP - 2009	
	20,000,000		20,000,000	
Total Options under the Scheme	20,000,000		20,000,000	
Options granted (Nos.)	20,000,000	10,000,000	2,050,000	1,00,00,000 (Regrant)
Vesting Period and Percentage	Ten years, 1st Year - 15% , 2nd year to 9th year - 10% each year, 10th year - 5%	Uniformly over a period of Ten years	Uniformly over a period of Ten years	Uniformly over a period of Five years
Vesting Date	January 25th each year, commencing January 25, 2010	December 2nd each year, commencing December 2, 2010	April 13th each year, commencing April 13th , 2011	August 24th each year, commencing August 24, 2016
Exercise Price (Rs.)	17.40	35.25	31.35	27.45
Outstanding at the beginning of the year (Nos.)	6,213,404	--	500,000	--
Options vested during the year (Nos.)#	915,808	--	50,000	--
Exercised during the year (Nos.)	706,480	--	--	--
Expired during the year (Nos.)	281,900	--	--	--
Surrendered and eligible for re-grant during the year(Nos.)	340,150	--	--	--
Outstanding at the end of the year (Nos.)	4,884,894	--	500,000	10,000,000
Exercisable at the end of the year (Nos.)	2,598,127	--	100,000	--
Remaining contractual Life (Weighted Months)	58	Nil	78	89

#Net of options surrendered before vesting

Shivshakti Financial Services Limited
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Notes to financial statements for the year ended March 31, 2016

Note - 29

The Company has complied with the Reserve Bank of India ("RBI") Directions in respect of "Non-Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Directions, 2015"), dated March 27, 2015.

Note - 30

The Company has not entered into any derivative instruments during the year. There are no foreign currency exposures as at March 31, 2016 (Previous year Rs. Nil).

Note - 31

There are no borrowing costs to be capitalised as at March 31, 2016 (Previous year Rs. Nil).

Note - 32

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) -- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

Note - 33

In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as at March 31, 2016 (Previous year Rs. Nil).

Note - 34

Previous year's figures have been re-grouped / re-arranged wherever considered necessary to conform to current year's groupings and classifications.

In terms of our report of even date attached

For S A S & Co.
Chartered Accountants
FRN: 020025N

Somya Agrawal
Partner
Membership No. 526790
New Delhi, May 4, 2016



For and on behalf of the board of directors

Ravinder
Whole Time Director
DIN: 02873125
New Delhi, May 4, 2016

Joginder Singh
Whole Time Director
DIN: 02873129

Manish Rustagi
Company Secretary
PAN: AFXPR1746N