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NOTICE OF ANNUAL GENERAL MEETING



LUDHIANA STOCK AND CAPITAL LIMITED

(Formerly Ludhiana Stock Exchange Limited)

CIN : U67120PB1981PLC004696

Regd. Office : Feroze Gandhi Market, Ludhiana

Tel.: 0161-2405756, 4662014, 4663014

Website : www.lse.co.in, E-mail : lse_cs@rediffmail.com

NOTICE

Notice is hereby given that the 38th Annual General Meeting of the Shareholders of Ludhiana Stock and Capital Limited (Formerly Ludhiana Stock Exchange Limited) will be held on 12th December, 2020, Saturday at 12:00 Noon at the registered office of the Company situated at 1st floor, LSE Building, Feroze Gandhi Market, Ludhiana to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt :-
 - a) The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon; and
 - b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020 and Reports of Auditors thereon.
2. To consider the declaration of dividend, if any, on equity shares.
3. To appoint a Director in place of Sh. Tribhawan Singh Thapar (DIN: 00494576), who was appointed as Director of the Company with effect from August 04, 2018, pursuant to the casual vacancy caused by the death of Late Sh. Prem Thapar and who holds office up to the date of ensuing Annual General Meeting.
4. To appoint a Director in place of Sh. Jaspal Singh (DIN: 00458451), who was liable to retire by rotation at ensuing Annual General Meeting, ceased to be Director with effect from July 22, 2020, due to his sudden demise.

By order of the Board
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

Registered office :
Feroze Gandhi Market, Ludhiana
CIN: U67120PB1981PLC004696
Email: lse_cs@rediffmail.com

PLACE : LUDHIANA
DATED : 16-11-2020

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTES

1. **A member entitled to attend and vote at the Annual General 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 duly stamped, completed and signed instrument of proxies in order to be valid and effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A Blank Proxy form is enclosed with notice.

A proxy so appointed shall not have any right to speak at the meeting.

- 1A. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
- 1B. Every Corporate Member who intends to send its authorized representative to attend the meeting, is requested to send a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing its representative to attend and vote at the Annual General Meeting.
2. Sh. Tribhawan Singh Thapar (DIN: 00494576, who was appointed as Director of the Company w.e.f. August 08, 2018, to fill the casual vacancy caused by the death of Sh. Prem Thapar and who holds office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice, in writing along with prescribed fee under section 160 of the Companies Act, 2013, proposing his own candidature for the office of Director of the Company.
3. Sh. Jaspal Singh (DIN: 00458451), who was liable to retire by rotation at the ensuing Annual General Meeting, ceased to be Director w.e.f. July 22, 2020, due to his sudden demise; that resulted into a vacancy for the office of Director, liable to retire by rotation.
4. To fill the vacant position of the Director, shareholders of the company may file nominations for the posts of Directors along with fee of Rs. 1,00,000 by way of Cheque/DD (which shall be refunded to such member, if the person proposed gets elected as a director or gets more than twenty-five per cent of total valid votes cast on such resolution) up to 27th November, 2020 (Friday), till 04:00 p.m., at the Registered Office of the Company. The Company has already received the nomination from Sh. Rakesh Gupta having DIN: 00458677.
5. The Company's Share Transfer Books and the Register of Members will remain closed from 10th December, 2020 (Thursday) to 12th December, 2020 (Saturday) (both days inclusive).
6. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid to the members, whose names shall appear in Register of Members as on 9th December, 2020 (Wednesday) or Register of Beneficial Owners, maintained by the Depositories at the close of 9th December, 2020 (Wednesday).
7. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every Annual General Meeting is done away vide Notification S.O. 1833(E) dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of the appointment of Auditors, who were appointed at 37th Annual General Meeting held on 27th September, 2019 for the period of 5 (five) consecutive years from conclusion of 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting.
8. All relevant documents referred to in the accompanying Notice are open for inspection by members at the Registered Office of the Company on all working days between 11:00 a.m. and 01:00 p.m. prior to the date of the Meeting.
9. Pursuant to the provisions of the Companies Act, 2013, the company has transferred all unclaimed dividend, which remain unclaimed for a period of 7 years, declared for the financial years 2009-10, 2010-11, 2011-12 to Investor Education & Protection Fund (IEPF) established by the Central Government.
10. Section 124 (6) of the Companies Act, 2013 read with rules made thereunder provide that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education & Protection Fund. Further, section 125 of the Companies Act, 2013 provides that a shareholder whose dividend amount/shares have been transferred to the IEPF shall be entitled to claim refund there from. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPF/refund.html> or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority (Web Form IEPF-5). In line with the IEPF Rules, the company would initiate steps for transfer of such shares, if any, to IEPF.
11. Members are requested to write to the Company at least 10 Days before Annual General Meeting for obtaining any information as regards to Accounts/ Queries on Annual Report, so that the same could be complied with in advance.
12. For convenience of the members and for proper conduct of the meeting, entry to the place of meeting will be regulated by the attendance slip, which is annexed to the Proxy Form. Members/Proxies should bring attendance slips duly filled in and signed for attending the meeting and handover the same at the entrance of the venue of the meeting.
13. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
14. A route map showing directions to the venue of the 38th AGM is given at the end of this Notice as per the requirement of the Secretarial Standard-2 on "General Meetings."
15. **REQUEST TO SHAREHOLDERS:**
 - a. All correspondence regarding Shares of the Company should be addressed to the Company's Registrar and Transfer Agent (RTA), M/s. Beetal Financial and Computer Services Private Limited, Beetal House, 99, Madangir, Behind Local Shopping Centre, Near Dada

NOTICE OF ANNUAL GENERAL MEETING

Harsukhdas Mandir, New Delhi 110 062 or e-mail at beetalrta@gmail.com or beetalsta@gmail.com.

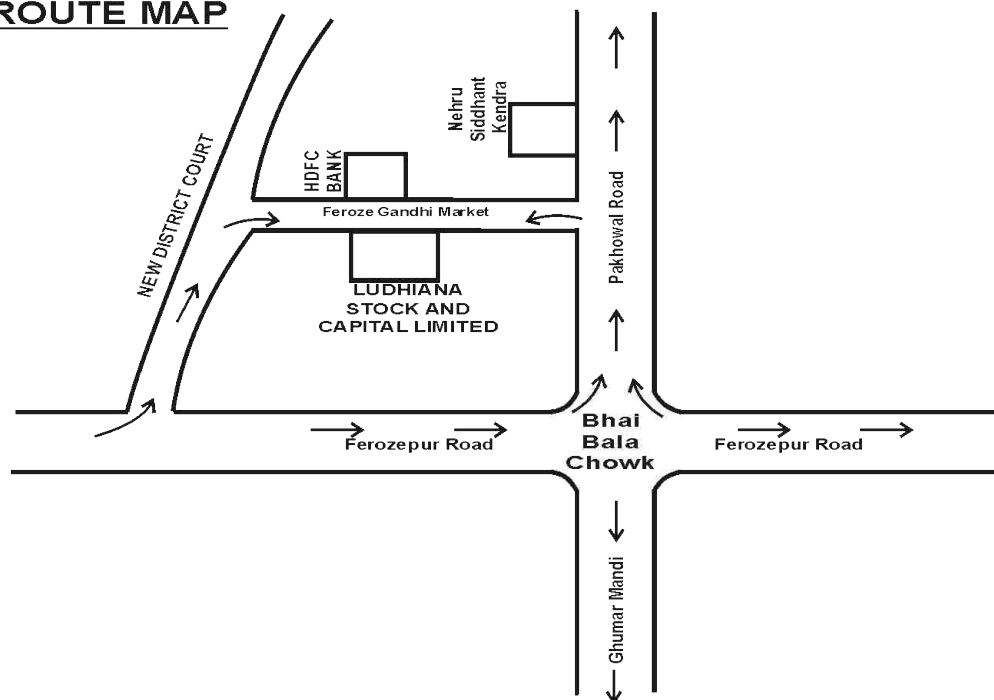
- b. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit their Permanent Account Numbers to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their Permanent Account Numbers to the Company/ Registrar & Transfer Agents of the Company i.e. Beetal Financial and Computer Services Private Limited.
- c. Members who have not registered their e-mail addresses so far are requested to register/ update their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc. In respect of shares held in demat mode, e-mail addresses can be registered with depository and members who hold shares in physical form are requested to register their e-mail addresses with Beetal Financial and Computer Services Private Limited, Registrar & Share Transfer Agents of the Company.
- d. Pursuant to the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, every unlisted public company is required to facilitate dematerialisation of all its existing securities. The Company has been registered with Central Depository Services (India) Limited (CDSL). The members can avail the Depository Services of CDSL. The ISIN of the company is INE562H01024.
- e. Members / Beneficial Owners are requested to quote their full names as per Company's record, Folio Nos. /DP and Client ID Nos., as the case may be, in all correspondence with the Company.
- f. Please note that copies of the Annual report will not be distributed at the venue of the meeting. Shareholders/ Proxy holders/ Authorized representatives are, therefore, requested to bring their copies of the Annual Report to the meeting.
- g. Members are requested to quote their e-mail IDs and contact nos. for prompt replies to their communications.
- h. Members who have not yet encashed their dividend warrants for financial years 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 are requested to make their claims to the Company without delay. The names of shareholders, whose unpaid/unclaimed dividend have been pending and are placed at company's website- www.lse.co.in.
- i. Members can access the financial statement of the Subsidiary Company i.e. LSC Securities Limited at the web-link: www.lse.co.in/LSESL_New/PDF/Annual_Report_2019-2020.pdf.

By order of the Board
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

PLACE : LUDHIANA
DATED : 16-11-2020

ROUTE MAP



DIRECTORS' REPORT

To
The Members,
Ludhiana Stock and Capital Limited (CIN No. U67120PB1981PLC004696)
(Formerly Ludhiana Stock Exchange Limited)
Ludhiana.

Your Directors present the 38th Annual Report of your company together with the Audited Standalone and Consolidated Financial Statements and the Auditors' Reports thereon, for the Financial Year ended 31st March, 2020. The summarized financial results for the Financial Year are as under:

Financial Summary (Standalone)

The Company's financial performance for the year ended March 31, 2020 is summarized below:

PARTICULARS	(Amount in lacs)	
	31.03.2020	31.03.2019
Profits Before Depreciation, Interest, Tax and Exceptional Items	14.71	140.53
Depreciation	7.41	8.37
Exceptional Item	--	--
Interest	--	--
Profit Before Tax	7.30	132.16
Provision for Taxation	0.25	(8.99)
Profit after tax	7.05	141.15
Add:- Balance brought forward from previous years	69.55	2.40
Balance Available for appropriations	76.60	143.55
Appropriations		
a. Interim Dividend on Equity Shares	--	74.00
b. Proposed Dividend on Equity Shares	--	--
c. Corporate Dividend Tax thereon	--	--
d. Transfer to General Reserve	--	--
Balance carried to Balance Sheet	76.60	69.55

Financial Summary (Consolidated)

Following Consolidated Financial Summary represents those of Ludhiana Stock and Capital Limited & its Subsidiary i.e. LSC Securities Limited (Formerly L.S.E Securities Ltd.) having CIN No. U67120CH2000PLC023244:

PARTICULARS	(Amount in lacs)	
	31.03.2020	31.03.2019
Profits Before Depreciation, Interest, Tax and Exceptional Items	73.16	57.04
Depreciation	17.43	19.63
Exceptional Item	-	-
Interest	1.02	0.62
Profit Before Tax & Minority Interest	54.71	36.79
Provision for Taxation	37.93	5.48
Profit after tax & before Minority Interest	16.78	31.31
Minority's Interest	7.91	11.30
Profit after tax and Minority Interest	8.87	20.01
Add:- Transferred from Minority Interest	-	-
Add:- Balance brought forward from previous years	399.70	481.08
Balance Available for appropriations	408.57	501.09
Appropriations		
a. Interim Dividend on Equity Shares	-	74.00
b. Final Dividend on Equity Shares *	-	-
c. Corporate Dividend Tax thereon	1.37	27.39
d. Transfer to General Reserve	600.00	-
Balance carried to Balance Sheet	(192.80)	399.70

DIRECTORS' REPORT

Dividend & Reserves

The Board, in its meeting held on 7th November, 2020 has recommended final dividend @ 250% (i.e. Rs. 25/- per equity shares of Rs. 10/- each) on paid up share capital for the year ended 31st March, 2020. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 12th December, 2020. The total dividend, if declared, for the current year shall be Rs. 14,80,000.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders, whose names shall appear in Register of Members as on 9th December, 2020 (Wednesday) or Register of Beneficial Owners, maintained by the Depositories at the close of 9th December, 2020 (Wednesday).

During the year under review, the Board of Directors has decided not to transfer any amount to General Reserve. An amount of Rs. 76.60 lacs (Previous year Rs. 69.55 lacs) is proposed to be retained as surplus in the Statement of Profit & Loss.

Results of Operations and the State of Company's affairs

In the last month of financial year 2019-2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our business associates.

Total Revenue during the financial year 2019-20 was Rs. 258.89 lacs against previous year's figure of Rs. 381.55 lacs. The reasons for this steep decrease was less income from investments & deposits mainly due to lower dividend from subsidiary company. Consequently, Profit before tax declined to Rs. 7.30 lacs during the financial year 2019-20 as compared to previous year's figure of Rs. 132.16 lacs. The company recorded a net profit of Rs. 7.05 lacs after providing for deferred tax provision of Rs. 0.25 lacs during the financial year 2019-20 against a net profit of Rs. 141.15 lacs during previous year.

On consolidated basis for the year 2019-20, your company recorded pre-tax profit of Rs. 54.71 lacs as against Rs. 36.79 lacs for the year 2018-19. The net profit after tax is Rs. 8.87 lacs as against previous year's profit of Rs. 20.01 lacs.

Present Business & Future Outlook

As earlier reported, the company is pursuing its object of performing functions of a Holding Company by coordinating the policy and administration of existing subsidiary apart from providing infrastructure and related services to its members and contributing to the society by providing training to the students of various streams. It also introduced new training program on Technical Analysis.

Steps are being taken for further reduction of expenses and containing of overheads. Simultaneously new business avenues are being explored and evaluated.

Taxation matters

- a). For the assessment years 2001-02, 2003-04, 2004-05, the department of Income Tax has filed appeals with Hon'ble Punjab and Haryana High Court, Chandigarh against the order of Appellate Tribunal and the Company is contesting the matter.
- b). As informed earlier, appeal had been filed by the company before Income Tax Appellate Tribunal (ITAT) for the assessment year 2005-06 against the order of CIT (A) for seeking relief under section 11 & 13 of the Income Tax Act, 1961. As the question of law involved in the appeal was identical to that in the cases pending in High Court stated in a) above, the Company filed a declaration u/s 158-A of the Income Tax Act, 1961 before the ITAT and the appeal was accepted in Company's favour.

Material Changes and commitments, if any, affecting the financial position of the company :

No material changes and commitments affecting the financial position of the Company occurred between the end of financial year to which these financial statements relate and the date of this report.

Issue of Equity Shares with differential rights:

During the year under review, the company has not issued shares with differential rights.

Issue of Sweat Equity Shares:

During the year under review, the company has not issued any sweat equity shares.

Employee Stock Options:

The company has not granted any stock option to its employee.

Buy back of equity shares:

The Company neither bought back any of its own shares nor has given any loan to the employees (including KMPs) of the Company for the purchase of the Company shares.

Change in Nature of Business :

During the period under review, there had been no change in the nature of business of the Company.

Capital and Debt Structure:

During the period under review, there was no change in the Capital Structure of the Company.

Credit Rating of Securities:

The Company is not required to obtain the credit rating of its securities.

DIRECTORS' REPORT

Transfers to the Investor Education & Protection Fund (IEPF):

During the year 2019-20, an amount of Rs. 10,500/- being unclaimed interim dividend for the financial year 2011-12 was transferred to the Investor Education & Protection Fund ("IEPF") pursuant to the applicable provisions of the Companies Act, 2013 ("The Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules").

Details of shares/shareholders in respect of which dividend has not been claimed along with due dates for transfer of these unclaimed dividends to IEPF, are provided on our website at www.lse.co.in. The shareholders are requested to verify their records and claim their dividends of all the preceding seven years, if not claimed.

Detail of the shareholders, whose unpaid /unclaimed dividends have already been transferred to IEPF, have also been placed on Company's website www.lse.co.in

Details of Nodal Officer nominated pursuant to Rule 7(2A) of IEPF Rules, can be accessed at www.lse.co.in

In case your shares, unclaimed dividend or deposits etc. have been transferred to IEPF, you can claim the same by making an application directly to IEPF in the prescribed form under the IEPF Rules which is available on the website of IEPF i.e. www.iepf.gov.in.

Directors & Key Managerial Personnel:

Mr. Tribhawan Singh Thapar (DIN 00494576) was appointed as a Director in casual vacancy caused by death of Mr. Prem Thapar (DIN 07049831) w.e.f. August 04, 2018. As per section 161 of the Companies Act, 2013, Mr. Tribhawan Singh Thapar holds office upto the date of ensuing Annual General Meeting, the date till which the original Director Mr. Prem Thapar would have held the office. The company has received a notice pursuant to section 160 of the Act from Mr. Tribhawan Singh Thapar, proposing himself as candidate for the office of Director of the Company.

Mr. Jaspal Singh (DIN: 00458451) ceased to be a Director w.e.f July 22, 2020, due to his sudden death. Late Mr. Jaspal Singh devoted a major part of his life for the development and progress of the Company. He was a great leader, visionary and pillar of strength for the Company and all its stakeholders. His vision to grow the Company will always remain with us. The Directors place on record their deep appreciation for the valuable guidance and his contribution towards progress of the Company during his tenure as Director and Chairperson. The Company has also received the notice from Sh. Rakesh Gupta (DIN: 00458677) in writing along with prescribed fee, proposing himself as candidate for the office of Director liable to retire by rotation.

Mr. Ved Parkash Gaur (DIN: 02439897) and Mr. Ravinder Pal Singh (DIN: 01186482) were appointed as Professional Directors by Board of Directors effecting from 09.10.2019 in accordance with the provisions of Articles of Association of the Company and they hold office up to the date of ensuing Annual General Meeting. Mr. Sanjeev Gupta (DIN: 00412914) was appointed as Director by the Members at 37th Annual General Meeting held on 27th September, 2019, to fill the vacancy caused by the exit of Mr. Jagmohan Krishan, who did not seek re-appointment.

Declaration of Independent Directors

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company

Board Meetings

During the year 2019-20, the Board of Directors met 5 (Five) times viz. on 1st June, 2019, 7th August, 2019, 17th August, 2019, 9th October, 2019 and 25th January, 2020.

Nomination and Remuneration Policy

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

Annual Evaluation of Board

The provisions of section 134(3) (p) relating to annual evaluation of Board, its Committees and of individual directors are not applicable to company.

Information pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The statement showing the names of top ten employees in terms of remuneration drawn pursuant to Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure 'C' to this report.

Director's Responsibility Statement

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of its Profit/Loss for the year ended on that date;
- They have taken proper and sufficient care to the best of their knowledge and ability 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; and

DIRECTORS' REPORT

- d. They have prepared the annual accounts for the year ended 31st March, 2020 on a 'going concern' basis; and
- e. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls

The Company has clear delegation of authority along with set policies and procedures. These are reviewed periodically by the Board of Directors. These measures help in ensuring adequacy of internal financial controls commensurate with the nature and scale of operations of the Company.

Frauds reported by the Auditor

The Auditors have not reported any fraud to the Board under subsection (12) of Section 143 of the Companies Act, 2013.

Subsidiary / Joint Ventures / Associate Companies

Ludhiana Stock and Capital Limited has only one subsidiary named LSC Securities Limited (Formerly L.S.E Securities Ltd.). No other company became or ceased as subsidiary, joint venture or associate during the year.

A statement containing salient features of financial statements of LSC Securities Ltd. (Formerly L.S.E Securities Ltd.), in the prescribed format AOC-1, is appended as '**Annexure A**' to the Board's report. The statement provides the detail of performance and financial position of the Subsidiary.

Performance of Subsidiary:

LSC Securities Limited (Formerly L.S.E Securities Ltd.) is registered as Stockbroker at BSE Ltd. (BSE), National Stock Exchange (NSE), Metropolitan Stock Exchange of India Limited (MSEI) and Multi Commodity Exchange of India Ltd. (MCX). During the year under review, the Company recorded a business volume of Rs. 8148.82 Crores (Previous year Rs. 7927.13 Crores) and Rs. 1043.47 crores (Previous year Rs. 1740.63 Crores) in Capital Market Segment of NSE and BSE, respectively. It also recorded a business volume of Rs. 14731.20 crores (Previous year Rs. 16849.91 Crores) in the Futures and Options Segment of NSE Limited. The business volume in Currency Derivatives was Rs. 486.81 crores (Previous year Rs. 772.75 Crores) in NSE.

During the year under review, your Subsidiary Company has opened 1011 (Previous year 876) new accounts in CDSL and 480 (Previous year 1124) accounts in NSDL. It also opened 1393 (Previous year 1361) new Trading Accounts.

Public Deposits

During the financial year under review, the Company has not accepted any deposits within the meaning of section 73 & 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the Balance Sheet.

Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act, 2013

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

Particulars of Contracts or arrangements with related parties:

All the transactions with related parties during the FY 2019-20 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act. There are no materially significant related party transactions made by the Company with Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Hence no particulars are required to be given in prescribed Form AOC-2.

Related party disclosures as per AS-18 have been provided in Note – 31 to the financial statements.

Corporate Social Responsibility

The Company has not developed and implemented any corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

Conservation of energy, technology absorption and foreign exchange earning & outgo:

The company is not engaged in any activity pertaining to manufacturing and as such furnishing of details regarding conservation of energy is not applicable.

Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of technology absorption and foreign exchange earning and outgo are Nil.

Risk Management

The Board of Directors, from time to time, reviews the risks faced by the company and the corresponding risk mitigation plans deployed. However, Company has not come across any element of risk which may threaten the existence of the Company.

Disclosure of composition of Audit Committee and providing Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company. Hence, disclosure pursuant to Section 177 (8) & (9) of the Companies Act, 2013 is not required.

Significant and Material Orders

There are no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DIRECTORS' REPORT

Statutory Auditors

M/s. SCV & Co. LLP (previously known as M/s. S. C. Vasudeva & Co.), Chartered Accountants (Firm Registration No. 000235N/N500089), were appointed as Statutory Auditors of the company by the Members for a term of five consecutive years starting from the conclusion of 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the company. **The requirement to place the matter relating to appointment of Auditors for ratification by Members at every Annual General Meeting has already been done away vide Notification S.O. 1833(E) dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi.**

Secretarial Auditor

The provisions of Section 204 of the Companies Act, 2013 relating to submission of Secretarial Audit Report is not applicable to the Company.

Auditors' Report

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial standards

The company has complied with applicable secretarial standards issued by The Institute of Companies Secretaries of India.

Extract of Annual Return

The extract of Annual Return as on March 31, 2020 in the prescribed Form No. MGT-9, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is attached as "**Annexure B**" to this report and is also available on the Company's website viz. www.lse.co.in.

Consolidated Financial Statement

The Consolidated Financial Statement of the company and its subsidiary prepared in accordance with the Companies Act, 2013 and applicable Accounting Standards along with relevant documents and the Auditors' Report forming part of this Annual Report. This statement is also available on the website of the Company and can be accessed at the website www.lse.co.in. The financial statement of the Subsidiary Company i.e. LSC Securities Limited can be accessed at the web-link: www.lse.co.in/LSESL_New/PDF/Annual_Report_2019-2020.pdf.

Cost Records

The company is not required to maintain cost records under sub-section 148 (1) of the Companies Act, 2013.

Registrar and Share Transfer Agent

M/s. Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi-110062 are the Registrar and Transfer Agents of the Company for the physical as well as demat shares.

Compliance of Provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. No complaint has been received under this Policy during the F.Y. 2019-20.

Acknowledgment

The Board of Directors wishes to place on record its sincere gratitude to the Government, Bankers, Business Constituents and Shareholders for their continued and valuable co-operation and support to the Company and look forward to their continued support and co-operation in future too.

Directors also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the Company during the year.

For and on behalf of the Board of Directors
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

PLACE : LUDHIANA
DATED : 16-11-2020

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

Sd/-
Ashok Kumar
Director
(DIN - 01971376)

FORM AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A" : Subsidiaries

Sr. No.	Rs. (in Lacs)
Name of the subsidiary	LSC Securities Ltd.*
The date since when subsidiary was acquired	January 07, 2000
Reporting period for the subsidiary concerned if different from the holding Company's reporting period	N.A
Reporting currency and Exchange rate as on the last of the relevant Financial year in the case of foreign subsidiaries.	N.A
Share capital	644.18
Reserves & surplus	1208.40
Total assets	17173.20
Total Liabilities	15320.62**
Investments	100.00
Turnover	467.08***
Profit before taxation	54.07
Provision for taxation (Net)	37.68
Profit after taxation	16.39
Proposed Dividend***	15.53****
% of shareholding	51.71%
Names of the subsidiaries which are yet to commence operations	N.A
Names of subsidiaries which have been liquidated or sold during the year.	N.A

* Formerly known as L.S.E. Securities Ltd.

** Excluding Share Capital and Reserve & Surplus

***Figures given are of total Revenue earned

**** Final dividend for F.Y 2018-19 paid during the year including dividend distribution tax thereon. Further, Board of Directors has proposed the final dividend of Rs.0.20 per share (2%) for the F.Y. 2019-20.

Part "B": Associate Companies and Joint Ventures

NIL

For and on behalf of the Board of Directors
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

PLACE : LUDHIANA
DATED : 16-11-2020

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

Sd/-
Ashok Kumar
Director
(DIN - 01971376)

FORM MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U67120PB1981PLC004696
2	Registration Date	10/17/1981
3	Name of the Company	Ludhiana Stock and Capital Limited (Formerly Ludhiana Stock Exchange Limited)
4	Category/Sub-category of the Company	Company Limited by Shares / Non-Govt. Company
5	Address of the Registered office & contact details	Feroze Gandhi Market, Ludhiana Ph. No. 0161-2405756, 4662014, 4663014 E-mail : lse_cs@rediffmail.com, Website : www.lse.co.in
6	Whether listed company	No
7	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Beetal Financial and Computer Services Private Limited Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi-110062 Ph. No. :- 011-29961281, 29961282, Fax:- 011-29961284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	To Co-Ordinate the policy and administration of Subsidiary company and provide Financial/advisory services related thereto	642- Activities of holding companies	
*as per NIC code 2008			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	LSC Securities Limited (Formerly L.S.E. Securities Limited) SCO. 142-143, 4th Floor, Cabin no. 111, Sector 34-A, Chandigarh.	U67120CH2000PLC023244	Subsidiary	51.71	2(87)

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April 2019)				No. of Shares held at the end of the year (As on 31st March 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	240	310	550	0.93%	240	310	550	0.93%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	240	310	550	0.93%	240	310	550	0.93%	0.00%

DIRECTORS' REPORT (ANNEXURE-B)

(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	240	310	550	0.93%	240	310	550	0.93%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4,037	4,472	8,509	14.37%	4,145	4,062	8,207	13.86%	-0.51%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	33,660	16,481	50,141	84.70%	36,112	14,331	50,443	85.21%	0.51%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	37,697	20,953	58,650	99.07%	40,257	18,393	58,650	99.07%	0.00%
Total Public (B)	37,697	20,953	58,650	99.07%	40,257	18,393	58,650	99.07%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C+D)	37,937	21,263	59,200*	100.00%	40,497	18,703	59,200*	100.00%	0.00%

*Out of total 59,200 shares, 200 Shares transferred to Investors Education and Protection Fund on December 08, 2017

DIRECTORS' REPORT (ANNEXURE-B)

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 1st April 2019			Shareholding at the end of the year as on 31st March 2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Raghubir Chand Singal	190	0.32%	-	190	0.32%	-	-
2	Mr. Sat Pal Kanwar	240	0.41%	-	240	0.41%	-	-
3	Mr. B.K. Arora	-	-	-	-	-	-	-
4	Mr. Shri Paul Jain	-	-	-	-	-	-	-
5	Mr. Rajinder Nath	-	-	-	-	-	-	-
6	Mr. Ram Dass Khanna	-	-	-	-	-	-	-
7	Mr. Subash Chander Jain	120	0.20%	-	120	0.20%	-	-

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year as on 1st April 2019		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year	01/04/2019		550	0.93%	550	0.93%
2	Changes during the year		No change	-	-	-	-
3	At the end of the year	31/03/2020		550	0.93%	550	0.93%

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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year as on 1st April 2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Rishab Gupta*	639	1.08%					639	1.08%
				12.04.2019	Transfer of Shares	100	0.17%	739	1.25%
				10.05.2019	Transfer of Shares	90	0.15%	829	1.40%
				02.08.2019	Transfer of Shares	200	0.34%	1029	1.74%
				07.02.2020	Transfer of Shares	22	0.04%	1051	1.78%
				31.03.2020	At the end of the year			1051	1.78%
2	Rakesh Gupta*	500	0.84%					500	0.84%
				21.02.2020	Transfer of Shares	100	0.17%	600	1.01%
				31.03.2020	At the end of the year			600	1.01%

DIRECTORS' REPORT (ANNEXURE-B)

3	Sonia Gupta	350	0.59%					350	0.59%
				13.09.2019	Transfer of Shares	100	0.17%	450	0.76%
				04.10.2019	Transfer of Shares	100	0.17%	550	0.93%
				31.03.2020	At the end of the year			550	0.93%
4	Bhupinder Kaur*	480	0.81%					480	0.81%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			480	0.81%
5	Shridhar Mallawat*	445	0.75%					445	0.75%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			445	0.75%
6	Gopal Dass Gupta*	400	0.68%					400	0.68%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			400	0.68%
7	Vijay Kumar Dhir*	400	0.68%					400	0.68%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			400	0.68%
8	Kehkesha Verma*	400	0.68%					400	0.68%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			400	0.68%
9	Aruna Mehra*	398	0.67%					398	0.67%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			398	0.67%
10	Babita Sharma*	390	0.66%					390	0.66%
				-	No Change	-	-	-	-
				31.03.2020	At the end of the year			390	0.66%

* Common Top Ten Shareholders as on 31.03.2019 and 31.03.2020

DIRECTORS' REPORT (ANNEXURE-B)

(v). Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year as on 1st April 2019		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	*Sh. Jaspal Singh	10	0.02%	-	No change	-	-	10	0.02%
				31.03.2020	At the end of the year			10	0.02%
2	**Sh. Sanjeev Gupta	10	0.02%	-	No change	-	-	10	0.02%
				31.03.2020	At the end of the year			10	0.02%
3	Sh. Vikas Batra	15	0.03%	-	No Change	-	-	15	0.03%
				31.03.2020	At the end of the year			15	0.03%
4	Sh. Ashok Kumar	560	0.95%	-	No Change	-	-	560	0.95%
				31.03.2020	At the end of the year			560	0.95%
5	Sh. Kanwal Preet Singh Walia	10	0.02%	-	No change	-	-	10	0.02%
				31.03.2020	At the end of the year			10	0.02%
6	Sh. Ravinder Pal Singh	200	0.34%	-	No change	-	-	200	0.34%
				31.03.2020	At the end of the year			200	0.34%
7	Sh. Ved Parkash Gaur	-	-	-	No change	-	-	-	-
				31.03.2020	At the end of the year				
8	Sh. Tribhawan Singh Thapar	10	0.02%	-	No change	-	-	10	0.02%
				31.03.2020	At the end of the year			10	0.02%

*The office of Director held by Sh. Jaspal Singh (DIN: 00458451) stands vacated due to his sudden demise on 22.07.2020

**Sh. Sanjeev Gupta (DIN: 00412914) has been appointed as Director by the Members at 37th Annual General Meeting of the Company, held on 27.09.2019

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

DIRECTORS' REPORT (ANNEXURE-B)

Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* 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:

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

B). Remuneration to other Directors

Sr.	Particulars of Remuneration	Name of Directors		Total Amount (Rs.)
		Sh. Ved Parkash Gaur	Sh. Ravinder Pal Singh	
1	Professional Directors			
	Fee for attending board/ committee meetings	14,000.00	7,000.00	21,000.00
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	14,000.00	7,000.00	21,000.00
2	Other Non-Executive Directors			
	Fee for attending board/ committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	0.00	0.00	0.00
	Total (B)=(1+2)	14,000.00	7,000.00	21,000.00
	Total Managerial Remuneration	-	-	21,000.00
	Overall Ceiling as per the Act	-	-	-

DIRECTORS' REPORT (ANNEXURE-B)

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

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

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					
Punishment				None	
Compounding					
B. DIRECTORS					
Penalty					
Punishment				None	
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment				None	
Compounding					

For and on behalf of the Board of Directors
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

PLACE : LUDHIANA
DATED : 16-11-2020

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

Sd/-
Ashok Kumar
Director
(DIN - 01971376)

DIRECTORS' REPORT (ANNEXURE-C)

Annexure 'C'
Statement of Employee under Rules 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name	Designation	Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement	Age (Years)	Last employment held
1	Des Raj	Jr. Engineer	347,248	I.T.I. Dip.	28	01.09.1992	55	Oriental Textile Processing Co. Pvt. Ltd.
2	Pankaj Jain	Manager (Accounts)	344,625	B.Com., C.A. Inter	12	01.01.2019	54	Ellora Shawls Pvt. Ltd.
3	Manjit Singh	Jr. Engineer	303,582	I.T.I. Dip	25	24.08.1995	58	Arihant Textile Industries
4	Dhirender Negi	Sr. Technician	264,867	Under Matric	29	03.02.1990	56	First Employment
5	Ramesh Chand	Lift Operator	258,805	Under Matric	27	16.12.1992	56	PNB
6	Atul Chikersal	Executive	247,448	B.Sc. (Non-Medical)	19	25.09.2008	50	Neva Garments
7	Gurmail singh	Sr. Technician	241,987	I.T.I. Dip.	31	01.07.1996	52	NFL Bhatinda
8	Ram Pujan	Electrician	240,091	Under Matric	28	01.05.1992	51	Amber Electronics
9	Ranjeet Singh	A.C. Operator	207,976	I.T.I. Dip.	13	12.05.2017	44	Ansal Plaza
10	Kailash Singh	Electrician	203,496	B.A. & I.T.I.	28	20.06.2006	49	Asian Lake Health Food

Notes(1). The nature of employment in all cases is contractual.

(2). None of the employees mentioned above is relative of any Director of the Company.

(3). None of the employees mentioned above is holding any share in the Company.

For and on behalf of the Board of Directors
of Ludhiana Stock and Capital Limited
(Formerly Ludhiana Stock Exchange Limited)

PLACE : LUDHIANA
DATED : 16-11-2020

Sd/-
Tribhawan Singh Thapar
Chairperson
(DIN - 00494576)

Sd/-
Ashok Kumar
Director
(DIN - 01971376)