

LSC SECURITIES LIMITED

(FORMERLY: L.S.E. SECURITIES LIMITED)

CIN: U67120CH2000PLC023244

Regd. Office: SCO. 142-143, 4th Floor, Cabin no. 111, Sector 34A
Chandigarh-160022.

Corp. Off: First Floor, LSE Building, Feroze Gandhi Market, Ludhiana 141001.
Tel.: 0172-5065459, 0161-5021018, Email: cs@lssl.com, Website: www.lse.co.in

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Venue for Annual General Meeting

22nd Annual General Meeting
At SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A,
Chandigarh-160022

COMPANY DETAILS

BOARD OF DIRECTORS

Mr. Parmod Goyal	Chairperson
Mr. T.S. Thapar	Director
Mr. Nagesh Aggarwal	Director
Mr. Bhavesh Makkar	Director
Mr. Ashwani K Aggarwal	Casual Vacancy Director
Mr. Sudhir Kumar	Director
Mr. Ashok Kumar	Nominee Director
Mr. Raghav Anand	Nominee Director
Mr. Chaitanya Parkash	Additional Director

Registered Office:

SCO. 142-143, 4th Floor,
Cabin no. 111, Sector 34 A,
Chandigarh-160022

Corporate Office:

First Floor, LSE Building,
Feroze Gandhi Market, Ludhiana - 141 001
Tele No.: 0161-5021018

Statutory Auditors:

M/s Anoop K. Goel & Co.
Add: 245, Radha Swami Market,
Opp. U.S.P.C. Jain Public School,
Chandigarh Road,
Ludhiana - 141 015

Depository Participants:

National Securities Depository Limited
Central Depository Services (India) Limited

Trading cum Clearing Member:

National Stock Exchange of India Limited
BSE Limited

Trading Member:

Metropolitan Stock Exchange of India Limited

Bankers

HDFC Bank, State Bank of India and ICICI Bank

ADVISORS

LEGAL

Sh. Rajesh K. Battish
Sr. Advocate,
Room No. 500, 5th floor, Distt. Courts,
Ludhiana

SECRETARIAL MATTERS

Sh. P.S. Dua
Company Secretary,
P.S. Dua & Associates
5, Sant Isher Singh Nagar
Pakhawal Raod, Ludhiana

DP BRANCHES

Amritsar

35-36, 2nd Floor, Deep Complex
Opp. Centurion Bank of Punjab
Court Road, Amritsar - 143001
Tele No.: 0183-2542212

Chandigarh

SCO 142-143, 4th Floor
Cabin No. 111, Sector 34A,
Chandigarh - 160 022
Ph: 0172- 5065459

Sangrur

Near Main Post Office,
Banasar Bagh Road, Sangrur-148001
Ph.: 01672-503282

DROP BOX FACILITY

Jalandhar

First Floor, Milbertan Building,
Opp. Govt. Girls Higher Secondary School,
PNB Chowk, Jalandhar-144 001
Ph.: 0181-5073480

Website: www.lse.co.in

E-mail: cs@lssl.com , admin@lssl.com, gm@lssl.com, igc@lssl.com (for investors).

LSC SECURITIES LIMITED

(FORMERLY: L.S.E. SECURITIES LIMITED)

CIN: U67120CH2000PLC023244

Registered Office: SCO. 142-143, 4th Floor, Cabin no. 111, Sector 34A, Chandigarh 160 022.
Tel.: 0172-5065459, 0161-5021018, Email: cs@lssl.com, Website: www.lse.co.in

NOTICE

Notice is hereby given that the **TWENTYSECOND (22ND) ANNUAL GENERAL MEETING** of the Members of **LSC SECURITIES LIMITED (Formerly: L.S.E. Securities Limited)** will be held on Friday, the 24th September, 2021 at 05:30 P.M. at SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh-160022, Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Financial Statements for the financial year ended on 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To consider the declaration of dividend, if any, on Equity Shares.
3. To appoint a Director in place of Mr. Tribhawan Singh Thapar (DIN: 00494576), who retires by rotation and being eligible, offers himself for the re-appointment.
4. To appoint a Director in place of Mr. Nagesh Aggarwal (DIN: 01944798), who retires by rotation and being eligible, offers himself for the re-appointment.

By order of the Board
FOR LSC SECURITIES LIMITED

PLACE: LUDHIANA
DATE: 25.08.2021

Sd/-
SUMIT MALHOTRA
COMPANY SECRETARY
ACS-54874
Registered Office:
SCO. 142-143,
4th Floor, Cabin no. 111
Sector 34A,
Chandigarh-160022

Corporate Office:
First Floor, LSE Bldg.,
Feroze Gandhi Mkt.,
Ludhiana-141001
CIN: U67120CH2000PLC023244
E-mail: cs@lssl.com

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than

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ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of the Companies, LLP, Societies etc., must be supported by an appropriate resolution/authority, as applicable issued on behalf of the nominating organization. A Proxy Form is annexed to this Notice.

3. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.

In case of joint holders attending the meeting, the joint holder who is highest in the order of names will be entitled to vote at meeting.

4. The Register of Members and the Share Transfer Book of the Company will remain closed from 22nd September, 2021 (Wednesday) to 24th September, 2021 (Friday) (Both days inclusive).
5. 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 21st September, 2021 or Register of Beneficial Owners, maintained by the Depositories at the close of 21st September, 2021.
6. To fill the vacant position of the Directors, shareholders of the company may file nominations for the post 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 (25) per cent of total valid votes cast on such resolution) up to 9th September, 2021 (Thursday) till 05:00 P.M. at the Registered Office of the Company. As per the Regulation 15A of the SEBI (Stock Brokers and Sub-Brokers) (Amendment) Regulations, 2003, any person who is registered as the Authorised Person with LSC Securities Limited cannot be appointed as the Director of the Company. As per the guidelines of NSE and Metropolitan Stock Exchange of India Limited (MSEI), any person who is registered as the Authorised Person with any Trading Member of NSE/Metropolitan Stock Exchange of India Limited (MSEI) respectively, shall not be eligible to be appointed as the Director of the Company.
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 appointment of Auditors, who were appointed at 20th Annual General Meeting held on 31st August, 2019 for the period of 5 (five) consecutive years from conclusion of 20th Annual General Meeting till the conclusion of 25th Annual General Meeting.
8. Members are requested to write to the Company at least ten days before the meeting for obtaining any information as regards to accounts and operations of the Company so that the same could be complied in advance.
9. 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, B/4, Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi 110 061 or e-mail at beetalsta@gmail.com or beetalrta@gmail.com.
10. Members who hold shares in the physical form and wish to make/ change nomination in respect to their shareholding in the Company, as permitted under section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, may submit the prescribed form SH-13 to the Company.
11. 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 PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar & Transfer Agents of the Company i.e. Beetal Financial and Computer Services Private Limited.

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12. 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, and 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.
13. Electronic copy of the Annual Report for F.Y. 2020-21 is available on the Company's website www.lse.co.in.
14. Pursuant to the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, every unlisted public company shall 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 INE01XH01014.
15. Members / Beneficial Owners are requested to quote their full names as per Company's record, Follo Nos. /DP and Client ID Nos., as the case may be, in all correspondence with the Company.
16. Members are requested to quote their e-mail IDs, telephone/ fax nos. for prompt reply to their communications.
17. All relevant documents shall be produced at the commencement of the Meeting and shall remain open and accessible during the continuous of the Meeting.
18. Members who have not yet claimed their unclaimed dividends are requested to make their claims to the Company. The names of shareholders, whose unpaid/unclaimed dividend have been pending are placed on Company's Website www.lse.co.in.
19. A route map showing directions to venue of the 22nd AGM is given at the end of this Notice.

PLACE: LUDHIANA
DATE: 25.08.2021

**By order of the Board
FOR LSC SECURITIES LIMITED**

Sd/-
SUMIT MALHOTRA
COMPANY SECRETARY
ACS-54874
Registered Office:
SCO. 142-143,
4th Floor, Cabin no. 111
Sector 34A,
Chandigarh-160022

Corporate Office:
First Floor, LSE Bldg.,
Feroze Gandhi Mkt.,
Ludhiana-141001
CIN: U67120CH2000PLC023244
E-mail: cs@lssl.com

MAP OF VENUE



DIRECTOR'S REPORT

(FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021)

Dear Shareholders,

Your directors are pleased to present the Twenty Second (22nd) Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2021.

FINANCIAL PERFORMANCE

The Company's Financial Performance for the financial year ended 31st March, 2021 under review along with previous year's figures is given hereunder:

(₹ in Lakhs except earnings per share)

Sr. No.	Particulars	2020-2021	2019-2020
1.	Profit Before Depreciation, Interest and Tax (PBDIT)	245.00	64.37
2.	Depreciation	(5.19)	(10.02)
3.	Interest	(1.37)	(0.28)
4.	Profit Before Tax (PBT)	238.44	54.07
5.	Provision for Taxation		
	a. Current	(48.44)	(39.18)
	b. Deferred	(1.64)	1.72
	c. Earlier Years	1.25	(0.22)
6.	Profit After Tax (PAT)	189.61	16.39
7.	Balance brought forward from previous years	497.77	1096.91
8.	Adjustments to P&L Account on account of Depreciation due to change in useful life of Fixed Assets	--	--
9.	Profit available for appropriation	687.38	1113.30
10.	Appropriations		
	a. Transfer to Capital Redemption reserve	--	--
	b. Transfer to General Reserve	--	(600.00)
	c. Proposed Dividend		
	i) Interim Dividend on Equity Shares	--	--
	ii) Dividend on Equity Shares	(12.88)	(12.88)
	d. Corporate Dividend Tax	--	(2.65)
11.	Surplus carried to Balance Sheet	674.50	497.77
12.	Earning Per Share (EPS)		
	a. Basic	2.94	0.25
	b. Diluted	2.94	0.25

BUSINESS OVERVIEW AND STATE OF THE COMPANY'S AFFAIRS

a) Trading at NSE and BSE in Capital Market Segment

During the year under review, your Company has recorded a business volume of ₹10768.26 Crores (Previous year ₹8148.82 Crores) and ₹2043.64 Crores (Previous year ₹1043.47 Crores) in Capital Market Segment of the NSE and the BSE, respectively.

b) F&O Segment of NSE

During the year under review, your Company has recorded a **business volume** of ₹16338.23 Crores (Previous year ₹14731.20 Crores) in the Futures & Options Segment of NSE Limited.

c) Currency Segment of NSE

During the year under review, the **business volume** in Currency Derivatives Segment was ₹751.37 Crores (Previous year ₹486.81 Crores) in NSE.

d) Depository Participant Services

During the year under review, your Company has opened 1429 new accounts (previous year 1011 accounts opened) in CDSL and 316 accounts (previous year 480 accounts opened) in NSDL.

e) Stock Broking Services

During the year under review, your Company has opened 1309 Trading Accounts (previous year 1393 accounts opened).

The membership of the Company in Commodity Derivative Segment of Multi Commodity Exchange of India Limited (MCX) has been surrendered w.e.f. 30th October, 2020. Now, the Company is not a member of Multi Commodity Exchange of India Limited (MCX).

FUTURE OUTLOOK

Despite the downturn last year, the OECD has projected India's economy to expand by 9.9% and become the fastest-growing G20 economy in 2021. Although the OECD's projections provided a positive outlook for Indian economy, the second wave and new variants hits nation badly and now the third wave also projected to hit around the month of September, 2021. For India to achieve its growth potential, the government will need to implement and effective vaccination rollout and promote a more resilient, inclusive and sustainable economy.

DIVIDEND AND RESERVES

The Board, in its meeting held on 25th August, 2021 has recommended a dividend @ 2.25% (i.e. Rs. 0.225/- per equity shares of Rs.10/- each) on paid up share capital for the year ended 31st March, 2021. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting to be held on 24th September, 2021. The total dividend declared for the current year is Rs.14.49 Lakhs.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid to those shareholders whose name shall appear in the Register of Members of the Company as on 21st September, 2021 or Register of Beneficial Owners, maintained by the Depositories as at the close of 21st September, 2021.

During the year under review, it is proposed not to transfer any amount to General Reserve of the Company.

COVID-19

The COVID -19 pandemic spread badly in whole world during last week of March, 2020. The Government of India and State Government enforced nationwide lockdown and other restrictions including curfew to break the chain of COVID-19.

On reducing the number of corona virus cases, the Central/State Government lift up lockdown and other restrictions in tranches. The second wave of corona virus hit whole world including India during the month of April 2021 to May, 2021. The third wave might hit the Nation in month of September, 2021.

The main focus of the company remains to ensure the health and well-being of all members, employees and other stakeholders. The employees were motivated to get themselves and their family members vaccinated. All the guidelines related to health and safety issued by the authorities for prevention of COVID-19 are being followed. The Company regularly monitors situation and will continue the operations in line with guidelines/instruction issued by central/state Government from time to time.

MATERIAL CHANGES AND COMMITMENTS

There are no instances of material changes and commitments in terms of the information required under Sub-section (3)(l) of Section 134 of the Companies Act, 2013, affecting the financial position of the Company which have occurred between the end of the financial year to which the Financial Statements relate and the date of the Director's Report.

CAPITAL 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.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the period under review, the Company was not required to transfer any unclaimed dividend/shares to IEPF.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Pritpal Singh (DIN:01219436), Whole Time Director of the Company resigned from the services of the Company w.e.f. 1st June, 2020. Mr. Manoj Sukhwil (DIN:08750844) who was appointed in place of Mr. Pritpal Singh as Whole Time Director subsequently resigned from the Company w.e.f. 14th December, 2020.

Mr. Jaspal Singh (DIN:00458451) ceased to be Director w.e.f. 22nd July, 2020 due to his sudden death. Mr. Ashwani Kumar Aggarwal (DIN:02375750) was appointed as a casual vacancy director by the Board w.e.f. 17th October, 2020 to fill casual vacancy caused by the death of Mr. Jaspal Singh to hold office up to the date up to which Mr. Jaspal Singh would have held office if it had not been vacated and later the appointment of Mr. Ashwani Kumar Aggarwal as casual vacancy director had approved by the members at 21st Annual General Meeting of the Company held on 21st November, 2020.

The nomination of Mr. Ashwani Kumar (DIN:00266183) as Nominee Director of the Company was withdrawn by the Holding Company i.e. Ludhiana Stock and Capital Limited w.e.f. 7th November, 2020. Mr. Raghav Anand (DIN: 08956628) was nominated by the Holding Company as Nominee Director in place of Mr. Ashwani Kumar and Mr. Raghav Anand was appointed on the Board of the Company as Nominee Director in place of Mr. Ashwani Kumar w.e.f. 11th November, 2020.

Mr. Sudhir Kumar (DIN: 00305360) was appointed as Director in place of Mr. Rakesh Gupta (DIN: 00458677) who retired at 21st Annual General Meeting held on 21st November, 2020.

Mr. Chaitanya Parkash (DIN: 02457539) was appointed as Additional Director by the Board w.e.f. 6th April, 2021 to hold office upto date of ensuing Annual General Meeting. The term of Mr. Chaitanya Parkash will expire on conclusion of 22nd Annual General Meeting.

In terms of Section 152 of the Companies Act, 2013 and the provisions of the Articles of Association:

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Mr. Tribhawan Singh Thapar (DIN:00494576) retires by rotation in the ensuing Annual General Meeting and being eligible offers himself for the re-appointment.

Mr. Nagesh Aggarwal having (DIN:01944798) retires by rotation in the ensuing Annual General Meeting and being eligible offers himself for the re-appointment.

DECLARATION OF INDEPENDENT DIRECTORS

Your Company is not presently covered under the provisions of Section 149 of the Companies Act, 2013. Hence, no disclosure is required in this regard.

NUMBER OF BOARD MEETINGS

During the Financial Year 2020-21, six Meetings of Board of Directors of the Company were held on 30th May, 2020, 14th July, 2020, 17th October, 2020, 11th November, 2020, 14th December, 2020 and 26th March, 2021, respectively.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 and 178 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 by virtue of criteria mentioned thereunder. Hence, above disclosures are not required to be made.

BOARD EVALUATION

The provisions of section 134(3)(p) relating to annual evaluation of Board, its Committees and of Individuals Directors are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- (b) In the selection of the accounting policies, they have consulted the Statutory Auditors and have applied the accounting policies 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, 2021 and of the profit and loss of the Company for the year ended on that date;
- (c) 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;
- (d) They have prepared the Annual Accounts for the year ended 31st March, 2021 on a 'going concern' basis;
- (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.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures commensurate with the size of its business operations and the same are reviewed by the Company from time to time.

FRAUD REPORTED BY THE AUDITORS

There were no instances of fraud during the year and consequently, the Auditors have not reported any fraud to the Board under Section 143(12) of the Companies Act, 2013.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the period under review, no Company has become or ceased to be Subsidiary/ Joint Venture/Associate Company of your Company.

PUBLIC DEPOSITS

During the period under review, your Company has not accepted/renewed any deposits from public in terms of the Companies Act, 2013 and rules made thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE 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 MADE WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

All the transactions with related parties during the FY 2020-21 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 Notes to the financial statements on page no. 35.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 are not applicable upon the Company by virtue of the criteria mentioned in the Section 135 of the Companies Act, 2013.

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

The Company is engaged in Stock Broking, Depository activities and has no activity pertaining to manufacturing and as such furnishing of details as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not given.

Further, the particulars as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, in respect to foreign exchange earnings and outgo are Nil.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

Since the Risk Management Policy is a key function in a Stock Broking Company and Depository Activities, your Company has adopted a comprehensive Risk Management in order to protect itself from client's default and the same is reviewed by the Company from time to time.

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

In terms of Section 134 of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014, there

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are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and the Company's operations in future.

STATUTORY AUDITORS

M/s. Anoop Goel & Co. Chartered Accountants (Registration No. 016327N) were re-appointed as Statutory Auditors of the Company pursuant to provisions of Section 139 and 141 of the Companies Act, 2013 and rules made thereunder, at 20th Annual General Meeting of the Company held on 31st day of August, 2019, for 5 (five) consecutive years from conclusion of 20th Annual General Meeting till the conclusion of 25th Annual General Meeting.

In accordance with the Companies (Amendment) Act, 2017 enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The report given by Statutory Auditors on the Financial Statements of the Company forms part of this report.

There is no qualification/adverse remarks/reservations/disclaimers given by the Statutory Auditors.

SECRETARIAL AUDIT REPORT

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

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

There are no qualifications or observations or remarks made by the Auditors in their Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is following all the applicable secretarial standards issued by The Institute of Companies Secretaries of India (ICSI).

ANNUAL RETURN

The Annual Return of the Company for the financial year 2020-21 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed at the link https://www.lse.co.in/LSESL_New/PDF/Annual_Return_2020-21.pdf.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment. However, the Company has not received any such Complaint during the period under review.

INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2014

There was no employee of the Company who draws the salary of Rs. 1.20 Crore or more for entire financial year or Rs. 8.50 Lac or more per month in case employed in part of financial year. The detail of the Top Ten Employees of the Company in terms of remuneration pursuant to rule 5 (2) and 5 (3) of Companies (Appointment & Remuneration of Managerial Personnel) Amendment rules, 2014 is furnished in "ANNEXURE-A".

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the company.

SHARE CAPITAL AND PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY TRUSTEES OR EMPLOYEES FOR THE BENEFIT OF EMPLOYEES

Your Company has not issued any equity shares with differential rights, sweat equity shares, employee stock options and made any provision of money for purchase of its own shares by trustees or employees for the benefit of employees.

MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not required by the Company.

REGISTRAR AND SHARE TRANSFER AGENT

M/s Beetal Financial and Computer Services Private Limited is the Registrar and Transfer Agent of the Company for the physical as well as demat shares. The members can avail the Depository Services of CDSL. The ISIN of the Company is INE01XH01014.

ACKNOWLEDGEMENTS

The Board wishes to place on record its gratitude for the kind co-operation, assistance and continued support to the Company by the office-bearers, Authorised Persons, Members and officials of the Ludhiana Stock and Capital Limited, the Ministry of Corporate Affairs, Central Government, the Securities and Exchange Board of India (SEBI), the Government of Punjab, Local Administration, the National Stock Exchange of India Limited (NSEIL), BSE Limited (BSE), Metropolitan Stock Exchange of India Limited (MSEI), the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and other business associates. The relations between the management and the staff were cordial during the period under review. The Company also wishes to put on record the appreciation of the work done by the staff. Your Directors appreciate and value the trust imposed upon them by the Members of the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
of LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)**

**PLACE: LUDHIANA
DATE: 25.08.2021**

**Sd/-
PARMOD GOYAL
(CHAIRPERSON)
(DIN: 00507724)**

ANNEXURE "A"

The details of the Top Ten Employees of the Company in terms of remuneration drawn pursuant to rule 5 (2) and 5(3) of Companies (Appointment & Remuneration of Managerial Personnel) Amendment rules, 2016 as under;

Employee Name	Designation	Remuneration Drawn (Rs.)	Other terms & Conditions	Qualification	Total Experience (in years)	Date of Commencement	Age (In Years)	Last Employment held	% of equity shares held as on 31.03.2021
Mr. Madhur Gupta	Sr. AGM-ISD	550015	N.A.	MCA, MSC (IT), NCFM Capital Market, NISM VIII Module	17	31.05.2006	40	Competent Finman Pvt. Ltd.	Nil
Mr. Manoj Sukhwal*	GM cum WTD	508332	N.A.	B.Com & Diploma in Business Management	13	01.09.2018	37	BSE Ltd. (Bombay Stock Exchange Ltd.)	Nil
Mr. Vipen Goyal	AGM- C&S (Securities)	456861	N.A.	B.Com, NISM, CM, F&O, Depository, NSE, BSE-CM)	30	13.03.1991	52	N.A.	Nil
Mr. Ramji	Manager-Finance	412818	N.A.	B.Com, C.A. (Inter)	20	24.12.2018	42	Rajnish Garg & Co.	Nil
Mr. Sumit Malhotra	Company Secretary	390278	N.A.	B.Com, CS	3	19.09.2019	29	Marshall Machines Limited	Nil
Mr. Gurdeep Singh	Manager- C&S (Securities)	362706	N.A.	MBA	19	11.07.2001	45	N.A.	Nil
Mr. Ravinder Singh	Sr. Manager- C&S (Funds)	345261	N.A.	B.A., NISM-F&O	27	18.02.1994	52	N.A.	Nil
Mr. Sandeep Dogra	Manager-ISD	331797	N.A.	B.A.	17	29.09.2005	38	Gupta Enterprises	Nil
Ms. Paramjeet Kaur	Manager-HR	296547	N.A.	10+2, Diploma in Computer Science, NISM-F&O	27	23.07.1993	49	N.A.	Nil
Mr. Sudesh Kumar Sharma	Manager-IT	280482	N.A.	MCA	27	05.05.2015	50	Ludhiana Stock and Capital Limited	Nil

- Notes: a) None of the employee mentioned above is a relative of any Director or Manager of the Company.
b) The nature of employment in all cases is contractual
c) *Mr. Manoj Sukhwal, GM cum WTD has been resigned from the Company w.e.f. 14.12.2020.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
of LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)

PLACE: LUDHIANA
DATE: 25.08.2021

Sd/-
PARMOD GOYAL
(CHAIRPERSON)
(DIN: 00507724)

Independent Auditor's Report

To
The Members of
LSC SECURITIES LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of LSC Securities Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free

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

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 Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:

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

- (a) 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.
- (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. *The Company does not have any pending litigations which would impact its financial position.*
 - ii. *The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.*
 - iii. *There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.*

**FOR ANOOP K. GOEL & CO.
CHARTERED ACCOUNTANTS
FRN : 016327N**

**PLACE : LUDHIANA
DATE : 25.08.2021**

**Sd/-
ANOOP KUMAR
(PROPRIETOR)
MEMBERSHIP NO. : 096966**

"Annexure A" to the Independent Auditors' Report

Statement referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
 - (b) As explained to us, fixed assets have been physically verified by the management reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) The company does not own any immovable properties, therefore this clause is not applicable.
- 2) The Company's nature of operations does not require it to hold inventories. Consequently provisions of clause ii of the Order is not applicable. However, the company held stock of saleable stationery as on 31-03-2021, valued at cost or net realizable value, whichever is lower.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
 - (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Value Added Tax, Excise Duty, Custom Duty, any cess or any other taxes which have not been deposited as on 31st March, 2021 on account of disputes.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer

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including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**FOR ANOOP K. GOEL & CO.
CHARTERED ACCOUNTANTS
FRN : 016327N**

**PLACE : LUDHIANA
DATE : 25.08.2021**

**Sd/-
ANOOP KUMAR
(PROPRIETOR)
MEMBERSHIP NO. : 096966**

“Annexure B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of LSC SECURITIES LIMITED

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

We have audited the internal financial controls over financial reporting of **LSC SECURITIES LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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, 2021, 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 ANOOP K. GOEL & CO.
CHARTERED ACCOUNTANTS
FRN : 016327N**

**PLACE : LUDHIANA
DATE : 25.08.2021**

**Sd/-
ANOOP KUMAR
(PROPRIETOR)
MEMBERSHIP NO. : 096966**

LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)
BALANCE SHEET
AS AT 31st MARCH 2021

Particulars	NOTE	Amount in ₹	
		AS AT 31.03.2021	AS AT 31.03.2020
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	64,417,750	64,417,750
(b) Reserves and Surplus	2	138,512,986	120,840,228
(2) Non-Current Liabilities			
(a) Other Long Term Liabilities	3	33,328,623	37,100,557
(3) Current Liabilities			
(a) Trade Payables			
i) Total outstanding dues of micro enterprises and small enterprises			
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	4	309,437,158	225,652,213
(b) Other Current Liabilities	5	987,424,810	1,268,717,160
(c) Short Term provisions	6	399,752	592,392
TOTAL		1,533,521,079	1,717,320,300
II ASSETS			
(1) Non Current Assets			
(a) Property Plant & Equipment	7		
Tangible Assets		2,175,597	2,071,112
Intangible Assets		225,075	342,272
(b) Long term loans and advances	8	45,512,363	49,935,743
(c) Deferred Tax Asset	9	76,000	240,000
(d) Other Non Current Assets	10	27,467,404	4,427,684
(2) Current Assets			
(a) Current Investments	11	-	10,000,000
(b) Inventory	12	29,805	105
(c) Trade Receivables	13	65,926,001	85,846,697
(d) Cash and bank balances	14	1,010,698,110	486,948,326
(e) Short term Loans and advances	15	8,085,975	6,508,816
(f) Other Current Assets	16	373,324,749	1,070,999,545
TOTAL		1,533,521,079	1,717,320,300

Significant Accounting Policies 23
See Accompanying Notes to the Financial statements
As per our report of even date attached

For and on behalf of the Board of Directors
of LSC Securities Limited
(formerly L.S.E. Securities Limited)

For Anoop K.Goel & Co.
Chartered Accountants
(Firm Registration No. 016327N)

Sd/-
Parmod Goyal
Chairperson
DIN: 00507724

Sd/-
Ashok Kumar
Director
DIN: 01971376

(ANOOP KUMAR)
PROPRIETOR
MEMBERSHIP NO. 096966

Sd/-
Sumit Malhotra
Company Secretary
PAN: CNQPM3319D

Sd/-
Ramji
Manager-Accounts
PAN: AJIPR7545L

PLACE : LUDHIANA
DATE : 25.08.2021

LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	NOTE	Amount in ₹	
		FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
I Revenue from operations	17	23,960,612	24,272,856
II Other Income	18	53,249,090	22,435,582
III Total Revenue		77,209,702	46,708,438
IV Expenses			
Operating Expenses	19	4,426,837	3,415,636
Employee Benefit expenses	20	11,393,962	14,278,194
Finance Cost	21	14,157,601	101,514
Depreciation and amortization expenses		519,297	1,001,677
Other Expenses	22	22,867,586	22,503,863
Total Expenses		53,365,283	41,300,884
V Profit before Tax (III-IV)		23,844,419	5,407,554
VI Tax Expense :			
1) Current Tax		4,844,000	3,918,000
2) Deferred Tax Charged/(Credit)		164,000	(172,000)
3) Tax Adjustment of an Earlier Year		(124,694)	22,244
VII Profit for the year (V-VI)		18,961,113	1,639,310
VIII Earning per Share (Nominal Value of Share ₹10 each)			
Basic and Diluted		2.94	0.25

Significant Accounting Policies
See Accompanying Notes to the Financial
statements
As per our report of even date attached

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For and on behalf of the Board of Directors
of LSC Securities Limited
(formerly L.S.E. Securities Limited)

For Anoop K.Goel & Co.
Chartered Accountants
(Firm Registration No. 016327N)

Sd/-
Parmod Goyal
Chairperson
DIN: 00507724

Sd/-
Ashok Kumar
Director
DIN: 01971376

(ANOOP KUMAR)
PROPRIETOR
MEMBERSHIP NO. 096966

Sd/-
Sumit Malhotra
Company Secretary
PAN: CNQPM3319D

Sd/-
Ramji
Manager-Accounts
PAN:AJIPR7545L

PLACE : LUDHIANA
DATE : 25.08.2021

LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2021

Amount in ₹

PARTICULARS	AS AT 31.03.2021		AS AT 31.03.2020	
	AMOUNT	TOTAL	AMOUNT	TOTAL
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax	-	23,844,419	-	5,407,554
Non-Cash & Non-Operating Adjustments for :				
Depreciation & Amortisation	519,297	-	1,001,677	-
Finance Cost	14,157,601	-	101,514	-
Dividend Income	(452,595)	-	0	-
Profit on redemption of Mutual Funds	(2,232,318)	-	0	-
Interest on FDRs'	(50,140,976)	-	(21,695,811)	-
Provision for bad debts	7,491,285	-	7,491,285	-
Bad Debts Written off/(Recovered)	965,805	-	941,538	-
Provision for Leave encashment	101,684	-	127,512	-
		(29,590,217)		(12,032,285)
Operating Profit before Working Capital changes		(5,745,798)		(6,624,731)
Adjustments for :				
(INCREASE) DECREASE IN OPERATING ASSETS				
- Inventories	(29,700)	-	13,615	-
- Trade & Other Receivable	11,463,606	-	11,739,981	-
- Loans & Advances	1,925,744	-	10,665,159	-
- other Assets	242,093,863	-	56,933,737	-
INCREASE/ (DECREASE) IN OPERATING LIABILITIES				
- Trade & Other Payables	83,784,946	-	60,345,368	-
- other Liabilities	147,476,929	-	2,232,391	-
- Provisions	(294,324)	-	(124,210)	-
		486,421,064		141,806,042
Cash Generated from Operations		480,675,265		135,181,311
Income Tax Expense (Net of Income Tax Refund)	0	0	(500,000)	(500,000)
NET CASH FROM OPERATING ACTIVITIES		480,675,265		134,681,311
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(506,585)	-	(525,308)	-
Dividend Income	452,595	-	0	-
Profit on redemption of Mutual Funds	2,232,318	-	0	-
Interest Income (Net of TDS)	46,342,146	-	19,534,399	-
Redemption of Investment	10,000,000	-	0	-
NET CASH USED IN INVESTING ACTIVITIES		58,520,474		19,009,691
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend Paid Including Dividend Distribution Tax	(1,288,355)	-	(1,553,224)	-
Finance Cost	(14,157,601)	-	(101,514)	-
NET CASH USED IN FINANCING ACTIVITIES		(15,445,956)		(1,654,738)
NET INCREASE IN CASH & CASH EQUIVALENTS		523,749,784		152,035,663
CASH AND CASH EQUIVALENTS at the Beginning of the Period		486,948,326		334,912,663
CASH AND CASH EQUIVALENTS at the End of the Period		1,010,698,110		486,948,326

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Significant Accounting Policies
See Accompanying Notes to the Financial statements
As per our report of even date attached

For and on behalf of the Board of Directors
of LSC Securities Limited
(formerly L.S.E. Securities Limited)

For Anoop K.Goel & Co.
Chartered Accountants
(Firm Registration No. 016327N)

Sd/-
Parmod Goyal
Chairperson
DIN: 00507724

Sd/-
Ashok Kumar
Director
DIN: 01971376

(ANOOP KUMAR)
PROPRIETOR
MEMBERSHIP NO. 096966

Sd/-
Sumit Malhotra
Company Secretary
PAN: CNQPM3319D

Sd/-
Ramji
Manager-Accounts
PAN:AJIPR7545L

PLACE : LUDHIANA
DATE : 25.08.2021

LSC SECURITIES LIMITED
(FORMERLY L.S.E. SECURITIES LIMITED)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

Sr. No.	Particular	Amount in ₹	
		AS AT 31.03.2021	AS AT 31.03.2020
1	<u>SHARE CAPITAL AUTHORISED</u>		
	130,00,000 Equity Shares of Rs 10/- each (Par Value)	130,000,000	130,000,000
	20,00,000 8% Cumulative Redeemable Preference Shares of Rs 10/-each (Par Value)	20,000,000	20,000,000
		150,000,000	150,000,000
	<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
	6441775 Equity Shares of Rs.10/- each Fully Paid Up	64,417,750	64,417,750
	<u>TOTAL</u>	64,417,750	64,417,750
	<u>Reconciliation of number of shares outstanding</u>		
	<u>a) Equity Shares</u>		
		Number of Shares	Number of Shares
	Outstanding at the beginning of the year	6,441,775	6,441,775
	Add: shares issued during the year	-	-
	Outstanding at the end of the year	6,441,775	6,441,775
	<u>b) Preference Shares</u>		
		Number of Shares	Number of Shares
	<u>Outstanding at the beginning of the year</u>	--	--
	<u>Less : Shares Redeemed during the year</u>	--	--
	Outstanding at the end of the year	--	--
	<u>Terms / Rights attached to Equity Shares</u>		
	The company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive the remaining assets of the company, after distribution of all preferential amount.		
	<u>Out of Equity Shares issued by the Company, shares held by its holding company are as follows:</u>		
		Number of shares	Number of shares
	LUDHIANA STOCK & CAPITAL LTD	3331075	3331075
	<u>Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company.</u>		
		Number of shares Percentage	Number of shares Percentage
	LUDHIANA STOCK & CAPITAL LTD	51.71	51.71

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Sr. No.	Particular	Amount in ₹	
		<u>AS AT</u> 31.03.2021	<u>AS AT</u> 31.03.2020
2	<u>RESERVES & SURPLUS</u>		
	Capital Redemption Reserve - As Per Last Year Balance Sheet	790,460	790,460
	Securities Premium - As Per Last Year Balance Sheet	4,068,875	4,068,875
	General Reserve - As Per Last Year Balance Sheet	66,203,385	6,203,385
	Add: Amt Transferred During the Year	-	60,000,000
	Closing balance at the year end	66,203,385	6,203,385
		<u>71,062,720</u>	<u>71,062,720</u>
	<u>Surplus in statement of Profit & Loss Account</u>		
	Opening Balance	49,777,508	109,691,422
	Add: Profit for the year	18,961,113	1,639,310
	Amount available for appropriation	68,738,621	111,330,732
	Less: Appropriations:		
	Transferred to General Reserve	-	60,000,000
	Final Dividend on Equity Shares	1,288,355	1,288,355
	Dividend Distribution tax	-	264,869
	Closing Balance	67,450,266	49,777,508
	TOTAL	<u>138,512,986</u>	<u>120,840,228</u>
3	<u>Other Long Term Liabilities</u>		
	<u>Security Deposits from Authorised Person</u>		
	In form of FDRs	7,425,000	26,869,199
	In form of Funds	25,903,623	10,231,358
	TOTAL	<u>33,328,623</u>	<u>37,100,557</u>
4	<u>Trade Payables</u>		
	Total Outstanding dues of Micro and Small Enterprises	-	-
	Total Outstanding dues of creditors other than Micro and Small Enterprises	309,437,158	225,652,213
	TOTAL	<u>309,437,158</u>	<u>225,652,213</u>
5	<u>Other Current Liabilities</u>		
	<u>(A) Margin/ Deposits from clients</u>		
	In form of FDRs	181,694,211	404,817,233
	In form of Funds	607,760,452	253,568,886
	(B) Scrips held on behalf of Clients	157,275,412	108,533,469
	(C) Deposit from DP clients	100,000	100,000

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Sr. No.	Particular	Amount in ₹	
		<u>AS AT</u> 31.03.2021	<u>AS AT</u> 31.03.2020
	(D) Value of Members Scrips kept As Margin	-	481,283,156
	(E) Dp Charges Received in Advance	1,537,063	1,642,607
	(F) Investor Education & Protection Fund Shall be Credited by following amount when due:		
	- Unclaimed Dividends	171,000	165,600
	TOTAL	<u>948,538,138</u>	<u>1,250,110,951</u>
	<u>Other Payables</u>		
	Cheques issued but not presented	339,882	4,748,628
	Interest Payable on Client Margin	12,171,376	-
	Amount payable against old client ageing	7,659,247	-
	Expenses Payable	11,415,145	7,654,767
	Statutory Liabilities	2,584,609	1,713,640
	Other Liabilities	4,716,413	4,489,174
	TOTAL	<u>38,886,672</u>	<u>18,606,209</u>
	GRAND TOTAL	<u>987,424,810</u>	<u>1,268,717,160</u>
6	<u>Short Term Provisions</u>		
	<u>Provision for employee benefits</u>		
	Leave Encashment	399,752	592,392
	TOTAL	<u>399,752</u>	<u>592,392</u>

Note 7. Fixed Assets Property Plant & Equipment as on 31.03.2021

Amount in ₹

PARTICULARS	<== GROSS BLOCK ==>				<== DEPRECIATION ==>			NET BLOCK	
	AS AT 01-04-2020	ADDITIONS	SALE/ ADJUSTME NT	AS AT 31-03-2021	AS AT 01-04-2020	FOR THE PERIOD	AS AT 31-03-2021	AS AT 31-03-2021	AS AT 31-03-2020
A) TANGIBLE ASSETS									
FURNITURE & FIXTURES	2053163.00	14600	0	2067763	1525099	127318	1652417	415346	528064
VEHICLES	9815.00	0	0	9815	8132	626	8758	1057	1683
OFFICE EQUIPMENT	27983.00	0	0	27983	26583	0	26583	1400	1400
AIR CONDITIONER	245309.00	0	0	245309	226636	3363	229999	15310	18673
COOLERS	6330.00	0	0	6330	6013	0	6013	317	317
ELECTRONIC EQUIPMENTS	193108.00	0	0	193108	183424	381	183805	9303	9684
FANS & ELECTRICAL FITTINGS	76047.00	2900	0	78947	66288	2241	68529	10418	9759
FIRE FIGHTING EQUIPMENT	49805.00	0	0	49805	47316	0	47316	2489	2489
GENERATOR	77497.00	0	0	77497	73622	0	73622	3875	3875
GLOW SIGN BOARD	59454.00	0	0	59454	56480	0	56480	2974	2974
REFRIGERATOR	7180.00	0	0	7180	6821	0	6821	359	359
TELEPHONE & TELEX	182916.00	7199	0	190115	167354	3885	171239	18876	15562
VSAT SKYEDGE	78000.00	0	0	78000	74101	0	74101	3899	3899
COMPUTERS	20435658.00	481886	0	20917544	18963284	264266	19227570	1689974	1472374
TOTAL - A	23502265	506585	0	24008850	21431153	402100	21833253	2175597	2071112
PREVIOUS YEAR	22976957	525308	0	23502265	20868256	562897	21431153	2071112	
B) INTANGIBLE ASSETS									
COMPUTER SOFTWARE & LICENSES	8330631	0	0	8330631	7988359	117197	8105556	225075	342272
TOTAL - B	8330631	0	0	8330631	7988359	117197	8105556	225075	342272
PREVIOUS YEAR	8330631	0	0	8330631	7549579	438780	7988359	342272	781052
TOTAL CURRENT YEAR	31832896	506585	0	32339481	29419512	519297	29938809	2400672	2413384
PREVIOUS YEAR	31307588	525308	0	31832896	28417835	1001677	29419512	2413384	2889753

* Represents adjustments in fixed assets which have completed useful life as prescribed under Schedule II to the Companies Act.

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Sr. No.	Particular	Amount in ₹	
		AS AT 31.03.2021	AS AT 31.03.2020
8	<u>Long Term Loans and Advances</u>		
	<u>Unsecured, Considered Good</u>		
	Security Deposits	39,820,000	40,670,000
	Advances to Employees other than Current Maturities	-	947,372
	Accrued interest on loan to employees other than current maturities	-	45,387
	MAT Credit Entitlement	5,692,363	8,272,984
	TOTAL	45,512,363	49,935,743
9	<u>Deferred Tax Asset</u>		
	a) <u>Deferred Tax Liability</u>		
	- On account of depreciation of Fixed Assets	(33,000)	(108,000)
	- On account of Excess Allowance U/S 40 A(7) of The Income Tax Act 1961	67,000	35,000
		34,000	(73,000)
	b) <u>Deferred Tax Asset</u>		
	- On account of Disallowance U/S 43B of The Income Tax Act 1961	110,000	167,000
	TOTAL	76,000	240,000
10	<u>Other Non-Current Assets</u>		
	Planned Gratuity Assets (Net of Gratuity Obligation)	242,677	127,585
	Income Tax Refund Receivable	1,035,282	1,035,282
	Accrued interest on term deposits having remaining maturity more than one year	26,189,445	3,264,817
	TOTAL	27,467,404	4,427,684
11	<u>Current Investments</u>		
	a) <u>Investments in Mutual Fund (Un-quoted)</u>		
	Nil Units (Previous Year 20842.817) of Rs. 10 Each of ICICI Prudential Mutual fund Liquid Direct Growth	-	5,000,000
	Nil Units (Previous Year 1551.223) of Rs. 10 Each of HDFC Mutual Fund Liquid Direct Growth	-	5,000,000
	b) <u>Investments in Mutual Fund (quoted)</u>		
	<i>Note:- Current investment is an investment that is by its nature readily realizable and is intended to be held for not more than one year from the date on which investment is made". The investment shown under the head Current Investment are held for more than one year, which are to be shown as non current investment but as per decision taken by the management of the company these are intended to be held for sale as and when the company needs funds, therefore shown under the head "Current Investments".</i>		
	TOTAL	-	10,000,000
12	<u>INVENTORY</u>		
	Saleable Stationery	29,805	105
	TOTAL	29,805	105

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Sr. No.	Particular	Amount in ₹	
		AS AT 31.03.2021	AS AT 31.03.2020
13	<u>Trade Receivables</u>		
	Outstanding for a period exceeding six months from the due date of payment		
	-Secured, Considered Good	10,393,749	14,397,726
	-Unsecured , Considered Good	12,721,945	14,982,570
	-Unsecured , Considered Doubtful	14,982,570	7,491,285
	-less Allownces for doubtful debts	(14,982,570)	(7,491,285)
	TOTAL	23,115,694	29,380,296
	Others		
	-Secured , Considered Good	36,951,867	44,956,783
	-Unsecured , Considered Good	5,858,440	11,509,618
	TOTAL	42,810,307	56,466,401
	GRAND TOTAL	65,926,001	85,846,697
14	<u>Cash and Bank Balances</u>		
	<u>Cash and Cash Equivalents</u>		
	Balances With Banks	22,544,719	199,142,668
	Cheques in Hand	10,108,030	3,856,664
	Cash in hand	74,779	58,394
	TOTAL	32,727,528	203,057,726
	<u>Earmarked Bank Balances</u>		
	Balances With Banks for Unclaimed Dividends	171,000	165,600
	- Term Deposits having remaining maturity of more than one year.(See Note Below)	603,030,814	137,800,000
	- Term Deposits having remaining maturity not more than one year.(See Note Below)	367,768,768	138,925,000
	<u>Other Bank Balances</u>		
	- Term Deposits having remaining maturity not more than 12 Months.	7,000,000	7,000,000
	TOTAL	977,970,582	283,890,600
	Note : The term deposits in Earmarked bank balances represent lien marked deposits against margin with major stock exchanges, bank guarantee, bank overdraft limits.		
	GRAND TOTAL	1,010,698,110	486,948,326

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Sr. No.	Particular	Amount in ₹	
		AS AT 31.03.2021	AS AT 31.03.2020
15	<u>Short Term Loans and Advances</u>		
	<u>Unsecured, Considered Good</u>		
	Advances Recoverable in Cash or in kind or for value to be received-Considered Good	8,260	197,313
	GST Input Credit Receivable	330,374	796,587
	Accrued interest on current maturities of loan to employees	63,602	37,803
	Current Maturity of Advances to employees	224,607	161,826
	Prepaid Expenses	3,453,347	2,969,647
	Advance Income Tax [Net of Provision for Income Tax Rs. 9660642/- (Previous Year - Rs. 4929946)]	4,005,785	2,345,640
	TOTAL	8,085,975	6,508,816
16	<u>Other Current Assets</u>		
	Accrued interest on deposits with IL & FS	-	55,057
	Accrued interest on term deposits having remaining maturity less than one year	12,037,869	6,137,769
	Option Margin with NSE	6,490,365	35,582,657
	Additional surveillance deposit GSM	60,906	4,912
	Members FDR kept as Margin	189,119,211	431,686,432
	Members Scrips kept as Margin	-	481,283,156
	Margin with edelwiess	8,340,986	7,716,093
	Scrips held on behalf of clients	157,275,412	108,533,469
	TOTAL	373,324,749	1,070,999,545
17	<u>Revenue From Operations</u>		
	<u>Income from services rendered</u>		
	Turnover Charges [Net of Rs. 83843934 (Prev. Year Rs. 49571798) released to Authorised Persons and Rs. 17251729 (Prev. Year Rs. 12332360) to major stock exchanges]	15,090,021	11,752,238
	Depository Income	8,786,063	12,436,101
	Other operating revenue		
	- Relating to BSE Limited	20,901	71,962
	- Relating to National Stock Exchange of India Limited, Mumbai	63,627	12,555
	TOTAL	23,960,612	24,272,856
18	<u>Other Income</u>		
	Dividend on Non current Investment	452,595	-
	Profit on redemption of Mutual Fund	2,232,318	-
	Interest Income	50,140,976	21,695,811
	Miscellaneous Income	400,120	739,771
	Adjustment in gratuity fund	23,081	-
	TOTAL	53,249,090	22,435,582
19	<u>Operating Expenses</u>		
	- Relating to BSE Limited	287,000	188,873
	- Relating to National Stock Exchange Limited, Mumbai	1,134,761	615,606
	- Relating to MSEI Limited	-	30,500
	- Depository Expenses	3,005,076	2,580,657
	TOTAL	4,426,837	3,415,636

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Sr. No.	Particular	Amount in ₹	
		FOR THE YEAR ENDED	FOR THE YEAR ENDED
		31.03.2021	31.03.2020
20	<u>Employee Benfit Expenses</u>		
	Salaries, Bonus and Allowances	10,080,899	12,251,168
	Contribution to provident and other funds	1,054,179	1,323,375
	Staff Welfare Expenses	258,884	312,805
	Contribution/ (Adjustment) to Gratuity Fund	-	390,846
	TOTAL	11,393,962	14,278,194
21	<u>Finance Cost</u>		
	Interest Expenses	137,603	28,282
	Other Bank Charges	32,075	41,174
	interest to clients on Margin	13,987,923	32,058
	TOTAL	14,157,601	101,514
22	<u>Other Expenses</u>		
	Advertisement	20,837	21,400
	Statutory Auditors' Remuneration		
	- Audit Fee	95,000	95,000
	- Out of Pocket Expenses	-	11,710
	- Certification work and other matters	36,800	5,000
	Internal Auditors' Remuneration- Audit Fees	225,000	225,000
	Provision for bad debts	7,491,285	7,491,285
	Bad Debts Written Off	965,805	941,538
	System Audit	48,000	21,000
	Prior Period Expenses	-	8,000
	Board/Committee Meeting Expenses	16,417	10,572
	Cable TV Expenses	159,776	156,853
	Computer Maintenance expenses	4,278,140	3,996,709
	Electricity Charges	961,734	959,500
	Festival Expenses	118,200	257,165
	Filing Fees	16,920	19,060
	General Expenses	227,740	778,617
	Insurance	390,176	390,190
	Legal and Professional Charges	995,460	476,700
	Newspapers and periodicals	-	2,500
	Office expenses	319,438	212,312
	Postage and Courier	224,595	498,287
	Printing and stationery	271,013	330,935
	Rates and Taxes	272,248	272,900
	Rent	4,181,050	4,184,979
	Repairs and Maintenance	704,528	717,810
	Telephone & Communication Charges	756,139	353,343
	Travelling and Conveyance-others	91,285	65,497
	TOTAL	22,867,586	22,503,863

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2021

23 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

23.1 SIGNIFICANT ACCOUNTING POLICIES

• **ACCOUNTING CONVENTION**

The accompanying financial statements are prepared and presented under the historical cost convention, on the basis of accounting principles and comply with the Accounting Standards prescribed by Companies (Accounting Standards) Rules 2006 as amended by Companies (Accounting Standards) Amendment Rules 2016, the relevant provisions of the Companies Act, 2013 and the Schedule III to the Act.

• **REVENUE RECOGNITION**

- a) The Company follows accrual system of accounting in accordance with the normally accepted accounting principles. Income in respect of zero holding depository accounts is accounted for at the time of reasonable certainty of its collection.
- b) Income from Turnover Charges on Stock Broking business is recognized as per contracted rates at the execution of transactions on behalf of customers on the trade date and is reflected net of expenses for Turnover Charges and GST.
- c) Interest Income is recognized using time proportion method.
- d) Dividend income is recognized when the right to receive payment is established.

• **FIXED ASSETS**

Fixed assets are stated at historical cost less depreciation. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

• **INTANGIBLE ASSETS AND AMORTIZATION**

Intangible assets of the Company such as software and software licenses are amortized on straight line basis over a period of 5 years, being the useful life as estimated by the management, beginning with the year in which the said assets are put to use.

• **DEPRECIATION**

Depreciation is provided on written down value method as per the requirements prescribed in schedule II to the Companies Act, 2013 on all the assets of the Company. In respect of assets sold, depreciation is provided up to the date of disposal. The useful life of fixed assets has been taken to be the life as prescribed under Schedule II. However the useful life of computer software and licenses has been estimated by the management and taken to be five years and being amortized over the said period on straight line basis. The residual value and useful life of the Fixed Assets of the company have been reviewed at the end of Financial Year and there is no difference of expectations from the previous estimates and the same i.e. the residual value and useful life of Fixed assets, as estimated as per Schedule II to the Companies Act, 2013, is in accordance with AS-5 prescribed by the Companies (Accounting Standards) Rules 2006 as amended by Companies (Accounting Standards) Amendment Rules 2016.

• **INVENTORIES**

Inventories are valued at cost or net realizable value whichever is lower and cost for the same is determined on the basis of FIFO method.

• **EMPLOYEE BENEFITS**

DEFINED CONTRIBUTION PLAN

Contributions to Provident Fund and Employees State Insurance are recognized in the accounts as per the statutory requirements under the relevant Act.

DEFINED BENEFIT PLAN

- a. Gratuity: The Company makes contribution to a scheme administered by the Life Insurance Corporation of India (LIC) to discharge gratuity liabilities to the employees. The Company accounts its liability for

future gratuity benefits based on independent actuarial valuation as at the balance sheet date, using Projected Unit Credit Method.

- b. Leave Encashment: The eligible employees are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. Company also provides for the encashment of leave subject to rules. The liability is provided on the number of days of unutilized leave at each balance sheet date, based on actuarial valuation.

- **INVESTMENT**

- Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term Investments are stated at investments. Current Investments are stated at lower of cost and fair value. Long term investments are stated at cost of acquisition. Provision for diminution is made when such diminution is considered other than temporary in nature. Valuation is determined on the basis of each category of investments.

- **TAXATION**

- a. Current tax is determined on the profit for the year in accordance with the provisions of the Income tax Act, 1961.
- b. Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized.

- **EARNING PER SHARE**

The company reports basic and diluted earning per share (EPS) in accordance with accounting standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

- **IMPAIRMENT OF ASSETS**

At each Balance Sheet an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account. The recoverable amount of assets exceeds carrying amount of assets and as such there is no impairment of assets.

- **MARGIN MONEY IN THE FORM OF FDR'S**

The Company has a procedure of receiving FDRs from its Authorised Person / Clients as margins. Such Fixed Deposits are issued by the Bank in favour of NSCCLA/c LSC Securities Limited in case of NSE and BSE Limited A/c LSC Securities Limited in case of BSE. The Company deposits these FDRs with the concerned Stock Exchange as Additional Capital/ Margin Money. The issuing bank credits the Interest earned/accrued on such FDRs after deduction of TDS to the account of the concerned Authorised Person / Clients. As such, the interest on such FDRs has not been accrued to the Company's account

- **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

23.2 NOTES TO ACCOUNTS

- FDR's of Rs. 74300000 (Prev. Year Rs.74300000) have been pledged with HDFC Bank to secure overdraft facilities to the tune of Rs. 64344000 (P/Y Rs. 64300000)
- The Company has deposited FDRs in its name with National Stock Exchange of India Ltd amounting to

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Rs. 87,90,03,559.80/- (Prev. Year Rs. 18,75,00,000), with MCX amounting to Rs. Nil- (Prev. Year Rs. 7,50,000), with Edelweiss Custodial Services Limited. (PCM) amounting to Rs. 1,53,21,022/- (Prev. Year Rs. 1,20,00,000) and with BSE Limited amounting to Rs. 13,75,000/- (Prev. Year Rs. 13,75,000) for Base Minimum/Additional Capital and are shown under the head Fixed Deposit with scheduled banks & FDRs amounting to Rs. 8,00,000 (Previous Year Rs. 8,00,000) have been kept as Membership Security with NSE for CD Segment.

- The Sundry Debtors relating to the Clients Trading in Securities through the Company are secured against their securities lying with the Company and under the Clause 15 of the Tripartite Agreement between LSC Securities Limited and its Authorised Person and Clients.

• **EMPLOYEE BENEFITS:**

i) **Defined Contribution Plan:**

Company contribution to provident fund Rs. 9,13,279/- (Previous Year Rs. 11,33,214/-)

ii) **Defined Benefit Obligation:**

	Defined Benefit Plan Gratuity Funded as on 31.03.2021	Defined Benefit Plan Gratuity Funded as on 31.03.2020
Present value of obligation, beginning of the Year	4702307	4362376
Interest cost	329162	305366
Current service cost	277030	382361
Benefits paid	(1504116)	(416566)
Actuarial loss on obligations	(344735)	68770
Present value of obligation, end of the Year (A)	3459654	4702307
Fair value of plan assets, beginning of the year	4829892	4880807
Expected return on plan assets	338092	341656
Contributions	92011	0
Benefits paid	(1504116)	(416566)
Actuarial gain / (loss) on plan assets	(53548)	23995
Fair value of plan asset at the end of the year (B)	3702331	4829892
Net Liability/(Asset) recognized in balance sheet and related analysis (A-B)	(242677)	(127585)
Funded Status- Surplus/(Deficit)	242677	127585

(b) Expenses Recognized in the statement of profit and loss

Current service cost	277036	382361
Interest cost	329162	305366
Expected return on plan assets	(338092)	(341656)
Net actuarial (gain)/loss recognized in the year	(291187)	44775
Expenses recognized in statement of profit & loss	(23081)	390846

I Principal Actuarial Assumptions

	As on 31.03.2021	As on 31.03.2020
Discount Rate	7.00%	7.00%
Salary Escalation	7.00%	7.00%

The leave with wages outstanding as on Balance Sheet date are expected to be availed in next 12 months, therefore it has been treated as short-term employee benefits as per AS-15.

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Earnings Per Share

In accordance with Accounting Standard-20 Earnings Per Share prescribed by Companies (Accounting Standards) Rules 2006, the computation of earnings per share is set out below:

	31-03-2021	31-03-2020
a) Face Value per Share	10	10
b) Net Profit after Tax	1,89,61,113	16,39,310
c) Weighted Average No. of shares	6,441,775	6,441,775
d) Earnings per share (Basic and Diluted)	2.94	0.25

Contingent Liability

Claims against the company not acknowledged as Debts:

- Nil

Events Occurring after the balance sheet Date:

Board of Director in the meeting held on 25.08.2021 Proposed the final dividend of Rs. 0.225 per share (2.25%) for the year ended 31st March, 2021 subject to the approval of shareholders at the 22nd AGM. If approved, the final dividend will result In cash flow of Rs. 14,49,400/- (Subject to TDS under section 194)

- In the opinion of the board of directors, all the current assets, loans and advances, in the ordinary course of business, have a realizable value which is at least equal to the value stated in the financial statements.
- All rent/lease agreements are cancellable on the instance of both lessor and lessee hence disclosure of information as per the provisions of AS-19 is not applicable.
- **Related Party Disclosures – As identified by the management and relied upon by the auditors**

(a) List of related parties and description of relationship

I. HOLDING COMPANY

Ludhiana Stock and Capital Ltd.

II. KEY MANAGERIAL PERSONNEL

Mr. Pritpal Singh : CGM cum WTD (From 01.04.2020 to 01.06.2020)

Mr. Manoj Sukhwai : GM cum WTD (From 02.06.2020 TO 14.12.2020)

Mr. Sumit Malhotra : Company Secretary

(Figures in ₹)

<u>CURRENT YEAR</u>	Holding Company	Key Managerial Personnel	Total
Dividend	6,66,215		6,66,215
Rent (Inclusive of Taxes Rs.6,92,550/ previous year Rs.6,92,550)	45,40,050		45,40,050
Photo Copy Charges (Inclusive of Taxes)	15,723		15,723
Maintenance Charges (Inclusive of Taxes Rs.121098 previous year 121098)	7,93,852		7,93,852
Electricity Charges	8,94,936		8,94,936
Property Tax	2,66,062		2,66,062
Remuneration		10,64,480	10,64,480
Balance due to Holding Company as on 31.03.2021	88,742		88,742
Total	72,65,580	10,64,480	83,30,060

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PREVIOUS YEAR			
Dividend	6,66,215		6,66,215
Rent (Inclusive of Taxes)	45,40,050		45,40,050
Photo Copy Charges (Inclusive of Taxes)	40,416		40,416
Maintenance Charges (Inclusive of Taxes)	7,93,852		7,93,852
Electricity Charges	8,99,274		8,99,274
Property Tax	2,66,062		2,66,062
Depository Charges	64		64
Communication Charges	9,824		9,824
Remuneration		13,72,052	13,72,052
Balance due to Holding Company as on 31.03.2020	79,936		79,936
Total	72,95,693	13,72,052	86,67,745

- CAPITAL COMMITMENT**

Capital Commitment (Net of Advances) NIL (Previous Year NIL.)

Any other Information required to be reported is Nil.

- NOTE ON COVID-19 IMPACT**

Due to lockdown on account of COVID-19, although the capital market were impacted and volatility has increased in the stock market; however LSC Securities Limited, being a SEBI registered intermediary and considered among essential services, continued to operate during the lockdown in India and there was no major impact on our business as the capital markets remained open and functioned normally.

- Figures of the previous year have been regrouped/rearranged/reclassified to make them comparable with the current year's figures, wherever considered necessary.
Figures have been rounded off to the nearest rupee value.

Signatures to Note No. 1 to 23

As per our report of even date attached

Significant Accounting Policies
See Accompanying Notes to the Financial statements
As per our report of even date attached

For and on behalf of the Board of Directors
of LSC Securities Limited
(formerly L.S.E. Securities Limited)

For Anoop K.Goel & Co.
Chartered Accountants
(Firm Registration No. 016327N)

Sd/-
Parmod Goyal
Chairperson
DIN: 00507724

Sd/-
Ashok Kumar
Director
DIN: 01971376

(ANOOP KUMAR)
PROPRIETOR
MEMBERSHIP NO. 096966

Sd/-
Sumit Malhotra
Company Secretary
PAN: CNQPM3319D

Sd/-
Ramji
Manager-Accounts
PAN:AJIPR7545L

PLACE : LUDHIANA
DATE : 25.08.2021

LSC SECURITIES LIMITED

(Formerly Known as L.S.E. SECURITIES LIMITED)

CIN: U67120CH2000PLC023244

Regd. Off.: SCO. 142-143, 4th Floor, Cabin no. 111, Sector 34A, Chandigarh 160 022

Tel.: 0172-5065459, 0161-5021018, Email: cs@lssl.com, Website: www.lse.co.in

ATTENDANCE SLIP

22nd Annual General Meeting, Friday, 24th September, 2021 at 05:30 P.M.

Name and Address of the Shareholder : _____

Name of the Joint Shareholder(s) if any : _____

Regd. Folio No/DP and Client Id : _____

No. of shares held : _____

Name of the Proxy/Representative, if any : _____

I/We hereby record my/our presence at 22nd Annual General Meeting of the Company to be held on Friday, 24th September, 2021 at 05:30 P.M. at S.C.O 142-143, 4th Floor, Cabin No. 111, Sector 34-A, Chandigarh-160022.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

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FORM MGT-11

PROXY FORM

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

LSC SECURITIES LIMITED

CIN: U67120CH2000PLC023244

REGISTERED OFFICE: SCO. 142-143, 4th Floor, Cabin no. 111, Sector 34A, Chandigarh 160 022

Name of the member(s): Registered address:	E-mail Id: Folio No/ DP and Client ID:
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I/We, being the member(s) holding _____ Equity Shares of LSC Securities Limited, hereby appoint:

1. Name: _____
Address: _____
E-mail Id: _____ Signature: _____, or failing him

2. Name: _____
Address: _____
E-mail Id: _____ Signature: _____, or failing him

3. Name: _____
Address: _____
E-mail Id: _____ Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on 24th day of September, 2021 at 05:30 P.M. at SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh 160 022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	FOR	AGAINST
	Ordinary Business:		
1.	To receive, consider, and adopt the Audited Financial Statements for the financial year ended on 31 st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.		
2.	To consider the declaration of dividend, if any, on Equity Shares.		
3.	To appoint a Director in place of Mr. Tribhawan Singh Thapar (DIN: 00494576) who retires by rotation and being eligible, offers himself for the re-appointment.		
4.	To appoint a Director in place of Mr. Nagesh Aggarwal (DIN: 01944798), who retires by rotation and being eligible, offers himself for the re-appointment.		

Affix
Revenue
Stamp

Signed this _____ day of _____ 2021.

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person.
4. This is optional. Please put a '(✓)' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in any manner as he/she thinks appropriate.