GEOJIT

01.08.2017

To,
The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051,
Ph: No: 022-26598100
Scrip Code: GEOJITFSL - EQ

To,
The Manager,
Listing Department,
The BSE Limited,
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001,
Ph No: 022-22721233
Scrip Code: 532285

Dear Sir/Madam,

Sub: Annual Report for the year 2016-17

Please find enclosed herewith the Annual Report of the Company for the year 2016-17 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you,
Yours faithfully,

For Geojit Financial Services Ltd

GEOJIT FINANCIAL SERVICES LTD. KOCHI-24

Liju K Johnson
Company Secretary

GEOJIT

Creating investor wealth

Geojit Financial Services Limited
Annual Report 2016-17





Contents

2 Chairman's Message
6 MD's Message
8 Key Performance Indicators
9 Board of Directors
10 Corporate Identity
12 Passion at Geojit
16 Our Robust Business Model
20 Business Analysis
24 Management Discussion and Analysis
29 Corporate Information
30 Directors' Report
44 Corporate Governance Report
71 Financial Section



Geojit's success over the last 30 years has been achieved by focusing on an overarching yet single pursuit: growing investor wealth.

Strategic clarity and entrepreneurial passion delivered dividends as the Company reported profitable growth during a challenging FY2016-17.

Geojit's revenues grew by

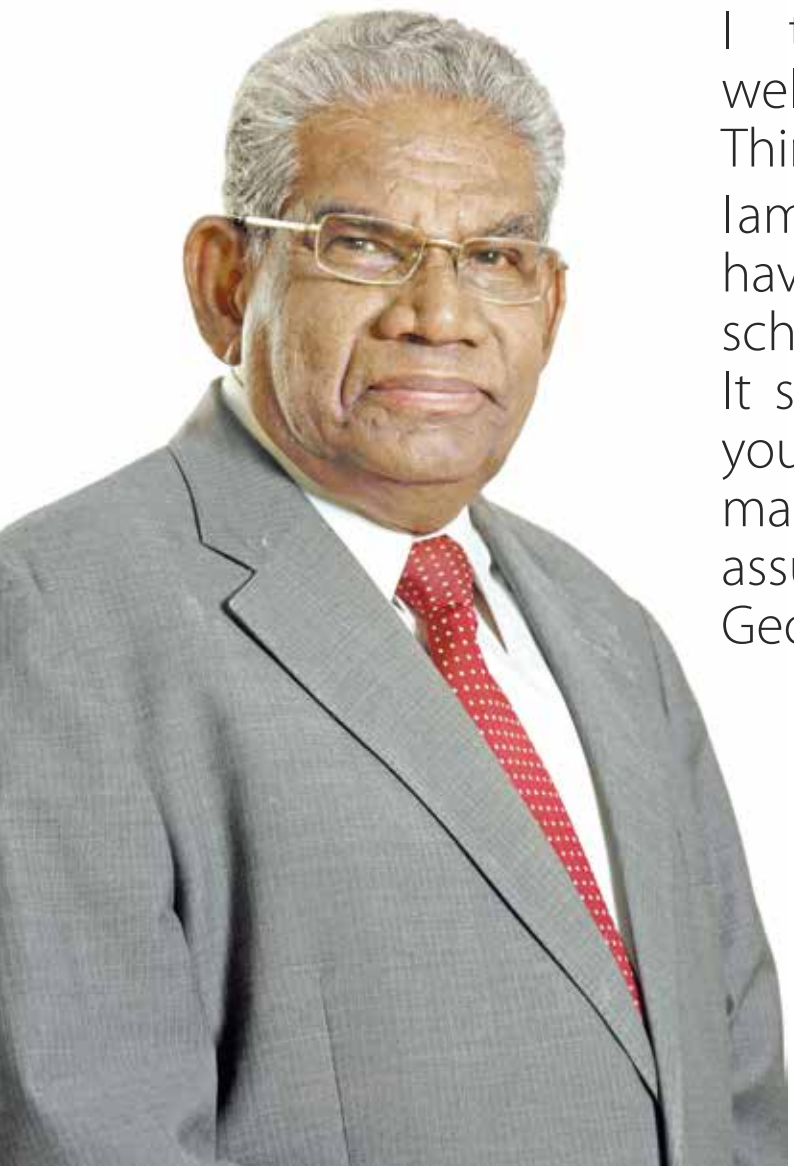
12%

our PAT strengthened by

49%

CHAIRMAN'S MESSAGE

We dedicated FY17 to superior customer service. And the results were evident in our performance.



Dear Shareholder,

I take pleasure in warmly welcoming you to this Twenty Third Annual General Meeting.

I am delighted that so many of you have taken time out of your busy schedules to attend this meeting. It shows the commitment that you have as shareholders in the management of your company. I assure you that my colleagues at Geojit will not let you down.



The year that went by, 2016-2017, has been in many ways a time of recovery and growth, for the international economy at large. Global GDP growth was 3.1% in 2016, moderating slightly from 3.4% reported in 2015. The mild slowdown was caused by the weaker economic output in the developed economies, which grew 1.7% in 2016 against 2.1% in 2015. The US economy slowed down from 2.6% in 2015 to 1.6% in 2016 reflecting investment and export weakness. The Euro area declined marginally from 2% in 2015 to 1.8% in 2016. Brexit was the major event, which shook the Euro area.

This was a defining year for the Company for more than one reason. Until 2016, our focus was largely on retail brokerage, a segment from which the lion's share of our income came from. Since then, as part of strategic realignment, we broadened our business horizon, by laying equal emphasis on marketing and distribution of Mutual Fund SIPs and Mutual Funds. This is in line with our thrust towards creating investor wealth and to meet their long term financial goals. This also helps us in providing one more avenue to our clients in terms of investments.

We dedicated FY17 as a year of superior customer service. The results were evident in our performance. We launched an online financial planning platform. The launch was met with great acclaim and we have received significant positive feedback about this platform.

Our Online Financial Planning platform creates an Investment advisory report customized around individuals with an inbuilt risk meter; this 'financial MRI' made it possible to ascertain portfolio health in real time. The report makes it possible to compare portfolios with the investor's risk appetite resulting in an understanding of gaps, risk analysis and ideal risk-balancing – a completely new investor experience.



We strengthened the operational back-end to accelerate new product offerings customized around investor needs.

The implementation of Microsoft Dynamics achieved significant organizational coverage, providing the management a dashboard of customer relationship management initiatives. It helped in reducing operational issues and the effective plugging of local inadequacies and accelerating remedial action.

We strengthened the operational back-end to accelerate new product offerings customized around investor needs.

Analytics is the need of the hour. We strengthened our big data analytics through an analysis of decadal customer data, empowering sales executives with information to understand customers better; this data was shared with customers as well; the use of this knowledge pool facilitated decision-making without human bias.

The company enjoys strategic B2B agreements with seven leading commercial banks, which make it possible for its clients to open integrated 3-in-1 accounts to seamlessly trade via the company's sophisticated Online Trading platform.

Growth is projected to gain strength in both advanced economies and emerging market & developing economies (EMDEs). Global trade growth has firmed and is expected to outpace GDP growth after two years of marked weakness. The global economic growth is expected to rebound from 3.1% in 2016 to 3.5% in 2017 with growth both in the emerging economies and advanced economies are anticipated to be recovering.

As the integration of the Indian economy into the global economy deepens, we shall continue to reap the advantages of higher growth and stability abroad. India's GDP grew at 7.1% in FY17 compared to a 7.6% in FY16. India's GDP growth in the January-March quarter was lower at 6.9% due to several factors including demonetisation. Despite a sequential slowdown, agriculture and mining sectors held up with consumption being robust. This coupled with rising domestic investor investment, has put the Indian economy on a strong footing. The shock of demonetization apart, Dalal Street is euphoric and investors have seen their valuations rise steeply.

The markets surged ahead and finally broke through its previous high watermarks and climbed to new highs. In addition to the above mentioned economic factors, the markets seemed to believe in the vision, policy initiatives and managerial ability of this government. The government's

positive stance in reviving the economy has been taken positively by the market and a slew of reforms have been initiated by the government to bolster economic growth. The impact of demonetization is expected to be over and consumer confidence is coming back. The imminent implementation of GST is expected to further drive growth in the country and create a strong case for investment, which, in turn, is expected to create higher employment opportunities and subsequently drive spending. Moreover, less than 5% of household savings is invested in equity compared to 45% in the US. A diversion of these savings would create significant value in the equity market.

Our results for the last year, reflect all these developments. While total turnover for Q4 was ₹79.86 crore (as opposed to ₹69.55 crore for the corresponding quarter last year), the annual turnover (FY 16-17) at ₹305.75 crore registered an increase of 12%, against ₹271.96 crore, the corresponding figure for last year (FY15-16). As a result, the Profit after Tax (PAT) went up by 49%, from 37.60 crore last year to ₹56.02 crore in FY16-17. The Board has recommended a dividend of ₹1.25 per equity share of ₹1/- each which I hope you will be happy with.

Outlook

We launched a special initiative for promoting Mutual Funds SIP's which has started picking up and we anticipate that the coming year will witness appreciable revenue growth from this business vertical. We target to generate a significant part of our revenues from distribution over the next few years.

With the Sensex climbing past 30,000, India's market capitalisation has crossed the US$2-trillion mark. Only eight other countries have a higher market capitalisation. The benchmark Sensex on the BSE exchange has gained 20 per cent in dollar terms so far in 2017, making it one of the best-performing index among global peers. In local currency terms, the Sensex is up 13.2 per cent. India's mid-cap is now 82 per cent of the size of the 2016-17 gross domestic product. We are confident that the buoyancy in the Indian capital market will drive our equity brokerage and distribution business in the coming year.

The roll out of GST is expected to be a game changer for the economy and many expect renewed investment by corporates as well as a boost to strategic sectors. Meanwhile the growing economy and renewed domestic investor appetite for financial products will boost the markets. The ongoing digital India campaign will allow Geojit Technologies, our subsidiary, to use its core competencies to support the company's technology thrust.

As you all know, the name of the company is now Geojit Financial Services Limited. The name and logo were launched in accordance with the restated shareholder's agreement between BNP Paribas S.A , the Company and its initial promoters. While BNP Paribas continues to retain its stake in the company, it withdrew nominees from the Board of Directors of the company.



Less than 5% of household savings is invested in equity compared to 45% in the US. A diversion of these savings would create significant value in the equity market.



I am happy to convey that the company is favourably positioned to capitalize the emerging market potentialities. A portfolio of sound products backed by detailed research and a robust delivery and service platform is expected to provide best-in-class experience to our clients. With our deepening presence in the industry, we expect to serve more and more investors in the coming years.

I take this opportunity to thank all our shareholders for being with us in this journey so far. The path ahead looks exciting and we are confident that we will be building strong value for our shareholders in the times to come.

Regards

A P Kurian
Chairman

MD'S MESSAGE



we at Geojit are excited to deliver long term wealth creation for our clients more than ever before and continue to be committed to this single-minded pursuit in the year ahead.

As a company, we have always been committed to the interests of our clients and are deeply concerned about the way equity investors get converted to day traders and even into becoming derivatives traders in the capital market. I confess that certain relationship managers of brokerage firms of all sizes contributed to this sad state of affairs. Retail clients lost capital through trading, as the incentive system of relationship managers in many brokerage firms were designed with an inherent conflict of interest with that of clients.



Consequentially, new investors were wary due to the stories of trading clients losing money and shied away from the stock market. Concerted attempts were made by many brokerages to systematically reduce brokerage rates so that more investors become traders and do higher volumes of trading.

At Geojit, we have observed that when brokerage rates were reduced, clients traded more and lost their capital faster. One lesson we learned the hard way is that clients do not lose significant money from brokerage rates but do so from wrong trading decisions. Brokerage rates only comprise a small portion of the trade value whereas wrong trading decisions can come at a considerably higher cost.

Once our data analytics was able to show us this incongruity, Geojit took a conscious decision to reduce employee incentive by half for day trading and F&O. This was whole heartedly supported by the employees and the processes were implemented during the beginning of the last financial year. This decision resulted in an increased faith in the brand 'Geojit' as it was taken, prioritizing the interests of our clients over that of our employees and the company.

At Geojit, we believe that our clients are our biggest ambassadors. We have a firm conviction that anything done for the benefit of clients, returns huge value. This faith was re-affirmed with the increased number of referrals that the company saw in the past year.

The next horizon of growth at Geojit begins with our renewed focus on Mutual Funds. As you may already know, Geojit has emerged as a major player in retail SIP distribution in the past year. We aggressively promoted the culture of investing in Mutual Funds, particularly through the SIP route. This proves to be an ideal investment vehicle for those with a monthly income and a long-term wealth creation goal. Consistent with the commitment towards our ambassadors, we created an employee incentive system which is skewed in favour of long-term wealth creation, thereby inducing a momentum in Mutual Fund SIPs for savers. The combination of these two paid off and we saw a new set of retail investors entering the capital market domain.

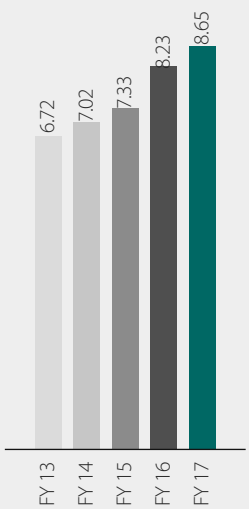
At a time when more and more savers are exploring alternate asset class for investment other than the three most popular asset classes namely Real Estate, Gold and FDs, there is a lot of responsibility on institutions like Geojit to build reach using a mix of technology and trained manpower to deliver Investment services around Capital Market. Geojit will not leave any stone unturned in our quest to absorb technology and to train and retain talent to reach out to growing demand for expert investment services.

Going forward, we at Geojit are excited to deliver long term wealth creation for our clients more than ever before and continue to be committed to this single-minded pursuit in the year ahead. This endeavour and the ample opportunities in front of us will positively reflect on our growth, thus creating value for all our stakeholders.

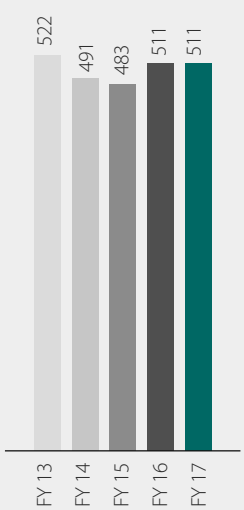
CJ George
Managing Director

KEY PERFORMANCE INDICATORS

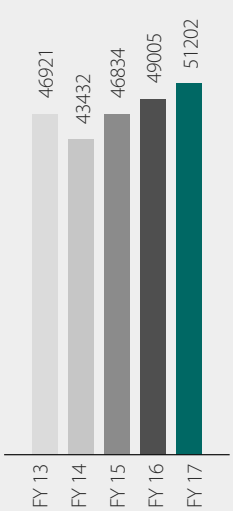
Number of clients



Branches



Net-worth



Revenue



BOARD OF DIRECTORS

Mr. A P Kurian

Chairman and Independent Non-Executive Director



A P Kurian is the former Executive Trustee of Unit Trust of India. He was also an advisor to the Economics Department of the Reserve Bank of India. Currently, he is on the Boards of Granules India Limited, Muthoot Capital Services Ltd, Muthoot Fincorp Limited, Union Trustee Company Private Limited and Geojit Credits Private Limited. Mr. AP Kurian is a post graduate in Economics and Statistics and is on the Board of the Company since February, 1995.

Mr. C J George

Managing Director and Promoter



The Company was founded by Mr. C. J. George in 1987. He has over 32 years of professional experience in the securities market. He has presented numerous papers related to the industry in seminars at national and international fora. He frequently contributes articles to financial publications and serves as a guest faculty at reputed management institutes. Mr George has a Masters Degree in Commerce and is a Certified Financial Planner.

Mr. Ramanathan Bupathy

Independent Non-Executive Director



R Bupathy is the founder partner of the Chartered Accountant firm R Bupathy & Co. head-quartered at Chennai. He is in the Board of Jubilant Industries Limited, Jubilant Agri and Consumer Products Limited, Geojit Technologies Private Limited and Geojit Credits Private Limited. Mr. Ramanathan Bupathy, a Graduate in Commerce and a Fellow Member of the Institute of Chartered Accountants of India is a Former President of Institute of Chartered Accountants of India and on the Board of the Company since January 2006

Mr. Mahesh Vyas

Independent Non-Executive Director



Mahesh Vyas is the Managing Director and CEO of the Centre for Monitoring Indian Economy Pvt. Ltd (CMIE). CMIE is India's leading private sector independent business information company. It provides economic and business information, analysis and forecasts. He joined CMIE in 1980. During his 37 years at the CMIE, he has steered the company through multiple transitions. He is the chief architect of CMIE's databases, database-products and services. His current business engagement is in integrating CMIE database services into clients' business processes and in conducting large complex household surveys to generate fast-frequency socio-economic indicators. He is on the Board of the Company since July 2003.

Dr. M Beena

Nominee Director (KSIDC), Non-Executive Director



Kerala State Industrial Development Corporation Limited (KSIDC) nominated Dr. M. Beena as its nominee on the Board of the Company. Dr. Beena, IAS is a medical doctor by profession. She joined the Indian Administrative Services from Kerala cadre in the year 1999. She started her career as the Assistant Collector of Kottayam District in 2001 and later became the Sub Collector of the district in 2002. She served as the Deputy Secretary in the General Administration Department, Thiruvananthapuram during the year 2004. Currently Dr. M. Beena, is the Managing Director of KSIDC Ltd and the State Mission Director to National Rural Health Mission, Director to Kerala Medical Service Corporation Limited and Managing Director, Vyttila Mobility Hub.

Mr. Punnoose George

Non-Executive Director



Punnoose George is an industrialist of repute with interests in manufacturing industries, plantations and educational institutions. He is the Executive Director of Kottukulam Group - Kottayam, Unity Realtors Private Limited, Yulfono Estates Private Limited, Geojit Technologies Private Limited and Youth Empowerment Skills Foundation. He is also the Executive Chairman of SAINTGITS Group of Institutions. Punnoose George, a Graduate in Engineering and an LLM holder, is on the Board of the Company since April 1995

Mr. Rakesh Jhunjhunwala

Non-Executive Director



Rakesh Jhunjhunwala is a legendary long-term investor in the country's capital markets. He is one of the few who shares his insight on successful investing with the people at large through his articles, interviews and presentations. He is a Director on the Board of several Companies in India which includes Aptech Ltd., Metro Shoes Ltd, Delta Corp. Ltd, etc. Mr. Rakesh Jhunjhunwala, a Graduate in Commerce from Sydneham College of Commerce & Economics, Mumbai and a member of the Institute of Chartered Accountants of India is on the Board of the Company since March 2005.

We are Geojit Financial Services Limited.





Geojit has a pan-India network of offices and has been steadily growing its strong presence in the Middle East. The Company leverages on its rich sectoral experience to offer a gamut of savings and investment solutions.

Background

Geojit was founded by C J George and his friend Ranajit Kanjilal in 1987. In these three decades , the Company has grown to become one of India's leading investment services companies. During this journey, the Company has gained the reputation of being a transparent, cutting-edge and client-centric organization. The Company's active client base stood at 8,65,000, with a network of 511 offices and Assets Under Custody and Management of ₹32,379 crore as on 31 March 2017.

Business

Geojit has a pan-India network of offices and has been steadily growing its strong presence in the Middle East. The Company leverages on its rich sectoral experience to offer a gamut of savings and investment solutions. The Company's wide portfolio of value-added products and services comprises of equities, derivatives, mutual funds, online financial planning, portfolio management services and investment advisory services. Geojit relies on state-of-the-art technology to offer its clients the opportunity to plan and invest. The Company enjoys strategic B2B agreements with Federal Bank, Oriental Bank of Commerce, South Indian Bank, Corporation Bank, Shamrao Vithal Cooperative Bank, Andhra Bank and Catholic Syrian Bank. These agreements allow Geojit to open integrated 3-in-1 accounts for its clients. They can also trade seamlessly using Geojit's proprietary online trading platform.

Major stakeholders

In 2007, the global banking major BNP Paribas, joined the Company as a major shareholder along with Mr. C. J. George, Founder and Managing Director, Kerala State Industrial Development Corporation (KSIDC) and Mr. Rakesh Jhunjhunwala.

Footprint

The Company's network of 511 offices is spread across 19 states and 2 Union Territories in India, and Middle East. Geojit's widespread presence in non-metro locations allows many otherwise under-served investors to access the capital market.

The Company enjoys a strategic presence in the Middle East via JVs and partnerships, these are:

- Barjeel Geojit Securities, its JV with the Al Saud Group, is head-quartered in Dubai and has branches in Abu Dhabi, Al Ain, and Sharjah.
- The Aloula Geojit Capital Company is a JV with the Al Johar Group in Saudi Arabia and is head-quartered in Riyadh.
- BBK Geojit Securities KSC, located in Kuwait, is a JV with the Bank of Bahrain and Kuwait.
- QBG Geojit Securities LLC is a JV with QBG group of Oman.
- The Company also has a business partnership with the Bank of Bahrain and Kuwait in Manama, Bahrain.





PASSION AT GEOJIT

At Geojit, we believe that there are always new and better ways of doing things. And that has made all the difference.

When sceptics believed that there was no room for innovation in India's financial services sector, Geojit consistently sought better ways of doing things and undertook pioneering initiatives, which changed the investing culture in India.

Geojit was the first stock broking company in India to:

- **Launch** internet trading in 2000.
- **Launch** integrated internet trading system for cash and derivative segments in the year 2002.
- **Launch** commodity trading in rubber futures in 2003
- **Launch** cardamom futures in 2004. The first in the world.
- **Commence** domestic retail operations in a foreign country.
- **Launch** exclusive branches for women in 2005.
- **Launch** trading through mobile phones in 2010.
- **Launch** trading through a Facebook-based application in 2013.

The result is that Geojit has emerged as one of the most trusted brands in India's financial services sector.



PASSION AT GEOJIT

When Geojit introduced cashless transactions (all payments made via cheques) a couple of decades ago, many were sceptical. The country's brokerage sector was largely driven by cash-based transactions in those days.

Geojit took a momentous decision.

The Company would only accept cheque-based payment from clients and not cash.

Sceptics felt that Geojit would lose space to competition. We stood our ground.

Our customers continued to remain loyal and this enhanced our credibility. In addition, it became easier for us to control our rapidly growing business.

We gained precious management bandwidth, serviced customers better – and grew faster.

We finished with less cash on our table but with more cash on our Balance Sheet. Soon Geojit's practice of cashless transactions became the industry norm.

We finished with less cash on our table but with more cash in our Balance Sheet.



PASSION AT GEOJIT

When we began to broaden our focus from retail broking – our largest revenue-earning segment – to advice based distribution, there was understandably some apprehension.

Retail broking was not just our core business; it was something by which we were known for. Geojit's brand identity was synonymous with that of an honest and transparent financial market intermediary.

During FY2016-17, we generated 83 % of our revenues from brokerage fees.

Although we generated sizeable revenues from this business, the reality was that at the retail level many derivatives and day traders were losing money in the market.

At Geojit, we took a decisive call to emphasize benefits of the Systematic Investment Plan (SIPs) and mutual fund investments with the objective of generating long-term client wealth, particularly for beginners. In line with this, we embarked on a strategic course correction: we halved the commissions paid to our dealers who generated brokerage revenues in derivatives and day trading segments and encouraged them to market SIPs and mutual funds instead.

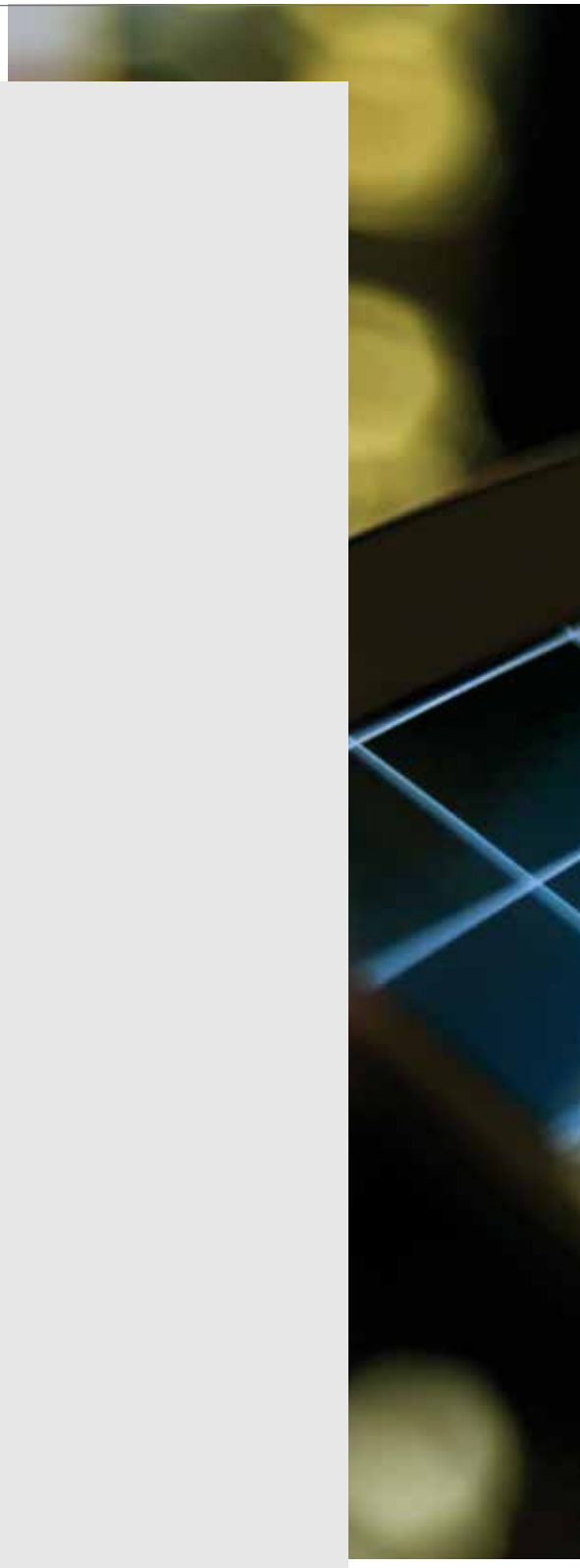
This is the result: Geojit reported a 44% increase in terms of distribution-based revenues during FY2016-17. The Company climbed from #5 in the list of non-bank SIP distributors during FY2015-16 to #3 by the close of FY2016-17 and number one among stock brokers.

Geojit reported a 44% increase in terms of distribution-based revenues during FY2016-17.

OUR ROBUST BUSINESS MODEL

Geojit. Consistent principles. Evolving strategies.

At Geojit, we believe that success in a rapidly-evolving sector is derived from the ability to stay one step ahead of competition.





From one state in 1999 **to** 19 states

From a suburban presence **to** an urban-cum-suburban presence

From an Indian **to** international presence

From a broking-based business model **to** an investment services based model

From individual-driven **to** institutionalized systems and processes

From a focus on only equities **to** a focus on overall creation of wealth for customers

From a focus on brokerage service **to** maximising client gains today

From an offline customer interface **to** a largely online engagement today

How we do business

At Geojit, we have continuously reviewed, innovated and adapted our business model. This proactive business model in a rapidly-evolving market has translated into profitable growth across market cycles.

Sectoral context

Income growth

India has been a rare success story among major economies during the last quarter of a century. This is reflected in the country's economic growth. Here's proof: a GDP growth of 6-7% makes India the fastest-growing major economy, personal incomes have risen from ₹93,000 in FY2015-16 to ~ ₹1,03,000 in FY2016-17. A sustained growth in incomes (and hence, disposable incomes) represents the basis of India's consumption-driven success story.

Capital allocation skew

Even as India is earning more than ever, it continues to save more through conventional banking deposits. More than 95% households park their savings in bank deposits; less than 9.7% invest in mutual funds and 8.1% in stocks (sixth and seventh places, respectively). Not even 1% of rural Indians invest in equities and awareness of mutual funds and equities stood at 1.4% in rural India even though 95% rural Indians had bank accounts. Of the 3.37 crore investor households in India, 70% are in urban areas. (Source: SEBI)

Equity potential

Indian equities are a preferred long-term investing medium. When seen across the long-term, Indian equities have consistently outperformed competing asset classes. The BSE Sensitive Index generated a 15.37% Compounded Annual Growth Rate (CAGR) in the fifteen years ending 31 March 2017 compared to a 12.96 % CAGR from investments in gold and 7.12% CAGR in Fixed Deposits. This consistent out-performance by the Indian Markets provides an ideal environment for a company like Geojit to grow its business.

Safe island theory

Even though equities are considered to be a volatile asset class, investments in equities, particularly through the mutual fund SIP route is relatively low-risk because of its discipline and diversification. A mutual fund SIP route, especially for long term investors, moderates the risk exposure owing to the cost averaging advantage.

As a customer-focused company, Geojit evangelizes the cause of such 'safe islands', leveraging our decades of experience in protecting client interests on the one hand and growing their portfolio value on the other.

The reliability factor

Even as the organised financial services industry has professionalized extensively in the last couple of decades and provides a credible face to customers, success in this space continues to be determined by an overriding factor: customers need to completely trust their financial intermediaries before allocating their hard-earned savings in a specific asset class. The secret to Geojit's success in such a volatile sector is derived from its well-earned trustworthiness.

The passion that we bring to our business



Focused: Create markets, not just service them
Committed: 'Missionary over mercenary' is a theory that always works
Futuristic: Work in 2017, think about 2020
Dedicated: Live the 'client comes first' philosophy; saying it is not enough
Strategic: innovate business model to adapt to changing needs
Driven: The market remembers the first; the rest follow
Ambitious: Chart our own course to be the best
Outperforming: Passion combined with hard work overcomes everything else
Respected: An honest reputation always works
Relentless: Innovating, adapting and evolving

How we are addressing the sectoral context



Credibility

At Geojit, we have always professed financial reliability, price transparency, humility, proactive acceptance of regulatory changes and a long-term business vision.

Footprint

At Geojit, we have evolved from a principally South Indian company with significant revenues derived from Kerala to a pan-India brand. Even as we generate majority of our revenues from Southern and Western India, we believe that this is a reflection of the increased equity preference and our reach in these geographies.

Distribution-driven

At Geojit, even as our revenues continue to be largely brokerage-driven, we believe that long-term customer interests lie also in relatively low-risk equity investing. In view of this, we have enhanced the advise based distribution-driven business of equity mutual funds.

Our foundation of intangibles

Brand

Geojit's business is brand-driven. Over the decades, the Company's brand has generated distinctive recalls: ethical (in terms of fairness and compliances), reliable (in terms of market reading), dependable (in terms of holistic client welfare) and accessible (in terms of grievance redressal). An active ethical committee oversees the sales campaigns, contests and sales-based incentives to avoid any tendency of misspelling.

Pioneering

Geojit has been leading the changes in the capital markets in the domains of Technology, Investor protection and Operational strategy. Many Geojit practices were later to become industry norms.

Technology platform

Geojit has developed cutting-edge technologies to enhance client experience on the one hand and strengthen internal efficiencies, on the other. The Company was among the first to offer internet-based and smartphone-based trading services and provided prompt online trouble shooting to ensure technology-driven client accessibility and business transparency.

Distribution network

Geojit is present wherever investors are. The Company's proprietary network comprises of around 500 customer interface points across India. Many of the offices are present in suburban or semi urban areas where capital market intermediaries are hardly present. Our office network acts as trusted conduits for traditional savers to invest in equities, mutual funds and debt instruments, among others.

The value generated by our business model

Growth

Geojit has been a sectoral pioneer during the last three decades of its existence. In a business marked by revenue volatility, Geojit has not reported an operational loss in any single year since its incorporation. The market capitalisation grew from about ₹228 crore in March 2012 to about ₹1,387 crore in March 2017.

Sustainability

Geojit possesses a robust Balance Sheet that ensures sustainable viability. The Company had no debt on its books as on 31 March 2017 and the EBITDA margin stood at an attractive 33% in a deeply discounted business environment during FY2016-17. Geojit's ROCE of 18 % indicated the robustness of the business engine.

Shareholding

Geojit's credibility is reflected in its shareholding history. The stakes held by the major shareholders, including promoters as well as other institutional and strategic investors have not changed significantly in the past many years. This is a reflection of the confidence that they have in the Company and its management.

BUSINESS ANALYSIS

Strategic shift in our sales and marketing focus at Geojit



Overview

There was a growing recognition that the long-term prevailed over the short-term; most day traders and futures and option traders at the retail level reported losses in trading; the number of such traders remained largely flat in the country even as the number of mutual fund folios increased substantially. This reality increasingly validated the company's conviction that mutual funds represented a superior equity class for general investors; within mutual funds, the SIP niche held out attractive possibilities for long-term capital appreciation. In view of this irrefutable evidence, Geojit made a strategic shift in its business model during the year under review. Though the Company's income is largely driven by equity brokerage income; in 2016-17, the Company emphasized the marketing and distribution of SIP mutual funds on the grounds that this would enhance long-term customer welfare on the one hand and generate annuity-based revenues for the Company on the other. Besides, this strategic preference would also enable Geojit to expand its reach by offering a more appropriate investment product for general investors, increasing the visibility of the company's future profitability.

Strengths

- The Company effectively showcases its SIP mutual fund specialisation backed by its well trained field force, enhancing customer faith.
- The Company fosters a merit-driven environment among its sales force which comprises highly-motivated professionals.

Strategic initiatives, FY2016-17

The conclusive body of evidence in support of SIP-based mutual funds indicated that Geojit needed to evolve its business model towards an investment product which is suitable for general investors.

The Company strengthened its distribution engagement with prominent mutual fund brands. Concurrently, even as the Company continued to generate significant brokerage revenues from its futures and day trading business segment, it sent out a clear signal in terms of its new strategic direction by halving dealer commissions from this business segment.

The Company continued to enhance brokerage revenues through a combination



The Company will continue to focus on marketing SIPs of mutual funds by creating an online platform for mutual fund sales during FY2017-18.

of online and offline initiatives (driven by short and medium-term recommendations).

The Company recruited professionals to address ongoing and emerging business opportunities. The Company recruited them through college placement exercises and job fairs. Thereafter, the recruits were trained in-house, thereby shrinking their learning curves and accelerating the on boarding procedure.

The Company commenced a wealth management business for high net worth individuals. This initiative commenced in Kerala and will extend to other states in due course of time.

The Company strengthened its online customer engagement, making interactions quicker and convenient, thereby enhancing per branch productivity.

Outcome

The Company registered a significant growth in terms of mobilization of SIP mutual funds over the previous year. The Company climbed from fifth among non-bank mutual fund distributors in 2015-16 to third during the year under review and is first among stock brokers. This outperformance was the result of an organisation-wide consensus on the long-term benefits of SIP mutual funds for the investing community. The conviction-backed sales approach translated into a sectoral outperformance.

Outlook

- The Company will continue to focus on marketing SIPs of mutual funds by creating an online platform for mutual fund sales during FY2017-18.
- The Company expects to report substantial revenue growth from distribution of mutual funds in the coming years so as to raise such revenues to a level which is at par with brokerage revenues.
- The Company launched a subscription-based financial planning platform in April 2017 to empower customers to understand their financial risk profiles and take informed investment decisions.

BUSINESS ANALYSIS

Operational excellence at Geojit

Overview

With Information technology playing an ever increasing role in the Company's operations, it has become imperative to grow one while leveraging the other.

Strengths

• The Company has the reputation of being an ethical company that follows credible practices so as to ensure complete customer satisfaction. This has translated into a growing share of the customer's wallet on the one hand and increased business derived from referrals on the other.

• The Company is hailed as a sectoral innovator for more reasons than one. The Company's discontinuing of cash transactions in 1988 went onto become an industry-wide norm. The ground-breaking introduction of internet trading in 2000 and mobile-based trading in 2010 has now become prevalent across the sector.

• The Company's operational strength is derived from the robustness of its trading platform. The Company's end-to-end service portfolio extends seamlessly from on-boarding to customer query handling. Geojit's sectoral competence has been validated the fact that 40% share of the Company's brokerage revenues have been



derived through online transactions. In terms of volume, 29 % transactions are through internet and 28% volume is contributed through Mobile application.

• The Company's operational expertise is validated by the low rate of customer grievance and the promptness with which it has addressed client issues.

• The Company's inventive broking practices have transformed the sector and thereby strengthened the Company's brand equity.

Challenges

Over the last few years, there has been a growth in the incidence of deep discount online brokerage services, affecting the viability of established conventional brokerage houses particularly in the segment of day trading and derivatives trading.

The entry of banks in this space and the consequent offer of three-in-one bank accounts (bank account, depository account and online trading account) has increased competition

A continuously-evolving regulatory environment is enhancing the need for faster business responsiveness.

Regulatory changes in the commission structure of MF business can have an impact on revenue model.

Strategic initiatives, FY2016-17

The Company labelled FY2016-17 as the 'Year of Customer Service' and reinforced it through the following initiatives:

• The Company strengthened its operating platform so as to process more applications on a daily basis and reduce the time taken for on boarding new clients.

• The Company created a financial planning platform; the pilot testing was completed and the product was launched in April 2017.

• The Company has acquired a 'Registered Investment Advisor' license.

• The Company introduced the CRM-based Microsoft Dynamics software to offer personalised client services.

• The Company created an Investment advisory report customized around individuals with an in-built risk assessment mechanism. This 'financial MRI' made it possible to ascertain portfolio health on a real-time basis and compare portfolios with varying investor risk appetites. The result was that Geojit's customer interface professionals developed a deeper understanding of client need, analysed risks more comprehensively and achieved an ideal balance between risk and reward, thereby offering a completely new investor experience

• The Company strengthened its operational back-end to accelerate the launch of product offerings centred on investor needs.

• The Company reinforced its big data analytics expertise by going through customer data gathered over the past decade. Geojit empowered its sales executives with the information required to understand customers better and shared analytics with customers wherever required. By undertaking this kind of approach, Geojit was able to facilitate efficient decision-making and minimize manual errors.

The Company plans to introduce the online on-boarding of clients in 2017-18, which will result in a visible lowering in terms of on boarding costs.

Outcomes

The Company emerged as the fastest-growing equity mutual fund SIP distributor in India. Revenues increased substantially over the previous year and consequently Geojit graduated from #5 on the list to #3 among non- bank distributors and #1 among stock broker distributors.

The Company launched dedicated apps to offer mobile trading with touch-based and swipe-based conveniences. The new features also included advice on how to best use these apps. Geojit reported an 80% increase in mobile-based transactions increasing the proportion of mobile-derived revenues from 14% to 21%.

Outlook

• The Company plans to introduce the online on-boarding of clients in 2017-18, which will result in a visible lowering in terms of on boarding costs.

• The Company aims to strengthen its online operating platform in order to double online sale of mutual funds.

• The Company expects to introduce the use of tablets to enhance sales force automation, thereby enhancing productivity, convenience and cycle time efficiency.

• The Company hopes to more than double its investor base over the next five years.

Management discussion and analysis

Global economic overview

The outlook for global economic growth remains positive. Global growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 to 3.6 percent in 2018. A long-awaited global cyclical recovery in investment, manufacturing, and trade is beginning to take place catalysed by tailwinds marked by improved global demand, weakening deflation and buoyant financial markets even as some challenges (capacity under-utilisation in different economies, strong trade regulations, and labour market changes) remain.

The increase in commodity prices contributed to a recovery in global inflation since August 2016. The increase in global producer price inflation was marked, reflecting both a greater weight of commodities in producer price indices when compared with the consumer price indices and their importance as intermediate inputs in production. The IMF's Primary Commodities Price Index increased by 15 percent between August 2016 and February 2017

Equity markets in emerging market and developing economies strengthened, after a period of weakening the post US election result in November 2016.

Economic activity gained momentum in the second half of 2016, especially in the advanced economies. Growth picked up in the United States as firms grew confident about demand and inventories started contributing positively to growth (after five sluggish quarters). Growth remained solid in the United Kingdom, where spending proved resilient in the aftermath of the June 2016 referendum in favour of leaving the European Union. Activity surprised on the upside in Japan thanks to strong net exports, as well as in Euro area countries (Germany and Spain) following strong domestic demand.

Emerging markets and developing economies posted a growth of 3.4% in 2016, which is projected to increase to 4.2% in 2017 and 4.7% in 2018-19 owing to increased commodity exports and realisations. Whereas China's growth remained strong, reflecting continued policy support, activity slowed in India because of the impact of demonetisation as well as in Brazil which was affected by recession. Activity remained weak in fuel and non-fuel commodity exporters while geopolitical factors held growth back in parts of the Middle East and Turkey.

As per IMF, global growth projected for 2017 and 2018 is 3.4% and 3.6% respectively for advanced and developing economies. *(Source: IMF; World Bank)*

Indian economic overview

India is one of the fastest-growing economies and the fifth in the world in terms of nominal GDP. The Economic Survey 2016 describes India as a 'haven of stability', declaring it as an 'outpost of opportunity'. The 2015 China crisis, Brexit and other global political disturbances had a moderate Indian impact.

India's economic growth was pegged at 7.1% for 2016-17 compared to 7.6% in the fiscal year 2015-16. Although demonetization impacted India's growth by 25-100 bps, the structural reform is expected to have long-term benefits. The challenges that the country faces include ambivalence about property rights and the private sector, deficiencies in state capacity, especially in delivering essential services, and inefficient capital redistribution. The Economic Survey pegged the growth of the agricultural sector at 4.15% for FY2016-17 (significantly higher than the 1.2% in FY2015-16), contributing to ~14% of India's economic output. The manufacturing sector accounts for 16% of the GDP. The GVA for this sector was pegged at 7.4 % forFY2016-17 as against 9.3% in FY2015-16.

India's service sector contributed ~66.1% to the country's GVA growth and grew at 8.8% during FY2016-17. The BFSI sector contracted on account of periodic cyclicality but is expected to rebound from the sectoral trough in 2018 with a gradual movement towards digitisation. This sector accelerated following an increase in electronic banking and insurance transactions with the Indian market outperforming the rest. According to the World Bank, India is expected to regain momentum, growth rising to 7.2% in FY2017-18 and strengthening to 7.7% in FY2018-19.

As per the data furnished by the Reserve Bank of India, India's total foreign exchange reserves rose by US$1.1 billion to reach almost US$368 billion for the week ended March 24, 2017and India's current account deficit jumped to a four-quarter high of 1.4% of the GDP in the fourth quarter from 0.6% of GDP in the third quarter as trade deficit widened. Although demonetisation resulted



in a huge cash crunch, it is expected to gradually benefit the economy in terms of lending and credit creation since bank rates should eventually come down *(Source: IMF, World Bank, RBI)*

The Indian BFSI sector

The BFSI sector in India witnessed steady growth in the recent past with people becoming more aware of various financial products and services. This sector made the most of the favourable macroeconomic conditions transpiring during FY2016-17, increasing assets under management (AUM) to ~₹13 trillion (a y-o-y growth of 23.1%), the fastest growth ever by the industry. The Central Government's Pradhan Mantri Jan Dhan Yojana ensured that every household has access to financial services, insurance and pension facilities. The result: 208.7 million bank accounts were opened during the year under review. India's contribution to the global market capitalisation (mid-cap) touched an all-time high of US$1.94 trillion, making it among the top-performing markets in 2017.

Highlights

- Trading turnover at NSE from the capital market segment was ₹50,55,913 crore with a market capitalisation of ₹11,978,421 crore in FY2016-17.
- The asset base of the mutual fund industry in India surged 35% to an all-time high of ₹18.3 lac crore in FY2016-17.
- The mutual fund industry added about 6.2 lac SIP accounts every month on an average during FY2017 (till February 2017), with an average ticket size of ₹3,100 per account.

[Source: Dun and Bradstreet report; NSE, BSE; AMFI]

India's money and capital market

The Central Government's decisive initiatives to clamp down on black money through demonetisation increased the flow of deposits, especially CASA deposits in the system. Consequently, CASA ratio is expected to increase by 3 to 4% in the economy which would lower cost of funds in the long run. The credit-to-GDP ratio is expected to rise on the back of lowered interest rates as a result of the demonetisation boosting credit circulation in the economy. The Indian capital market posted steady growth in the number of transactions with the advent of a share ratio and deposit system. The removal of a flexible but under-used forward trading mechanism, introduction of infotech systems in the NSE in order to cater to the various investors in different locations and privatisation of stock exchanges has aided this growth.

Equity markets: The Indian equity market reported consistent growth with people becoming increasingly aware of investments. India's equity market turnover increased significantly in recent years with the market value standing at US$1.91 trillion. The annual turnover value for the NSE witnessed a 16.20% rise from ₹42,36,983 crore in FY16 to ₹50,55,913 crore in FY17. The BSE saw its consolidated revenues jump by 19% for the year FY2016-17 to ₹800.75 crore, from ₹670 crore in FY 2015-16. The NSE's yearly net profit rose by 66% to reach ₹265.09 crore following a 39% increase in incomes from trading of securities to ₹335.70 crore. As on April, 2017 India's valuation premium compared to other emerging markets also rose to a 15-month high at 15.5x against 12.2x. *[Source: Economic Times; Forbes; nseindia.com]*

Commodity markets: An absence of desired liquidity and depth in the Indian commodity market, which are critical for ensuring efficient price discovery and risk management, caused Indian commodity futures volumes to fall. The commodity market in India has grown slowly with newer options (agricultural as well as non-agricultural commodities) becoming increasingly available to customers. As on January 2017, the commodities futures turnover in India stood at a daily average of ₹25,817 crore. In the first half of 2016-17, commodity market volumes rose marginally to ₹36.8 trillion from ₹34.9 trillion in the first half of 2015-16. SEBI took adequate steps to revive the market by allowing Category-III alternative investment funds, mutual funds and banks to participate in commodity derivative products. SEBI set the maximum limit in one underlying commodity at 10% of investable funds. It also proposed

The financial services industry India has leveraged digitisation and governmental support to reduce turnaround times, efforts and cost of availing financial services.

to integrate the commodity spot and derivatives markets to benefit farmers. *[Source: ICRA]*

Derivatives: The derivatives market enjoyed a small turnover and was primarily domestic some 25 years ago. Since then it has grown at a rate of 24% per year over the last decade to report ~ US$ 650 trillion in notional revenues. 92% of the world's 500-largest companies manage their price risks using derivatives. Safety, efficiency and innovation in the derivatives market have helped it grow worldwide, particularly in the OTC segment. This segment, which accounts for ~84% of the derivatives market, has benefited from increasing operating efficiencies, market transparency and enhanced counter-party risk mitigation. India's share of world trade is 2.3% but its share of the exchange-traded currency derivatives market is ~50%. The increasingly dynamic business scenario and financial sophistication has increased need for customised financial products like derivatives in various forms. *[Source: www.bloombergquint.com; IBEF; Deutsche Boerse Group report]*

Insurance: The insurance industry in India has recorded significant growth post-liberalisation with currently about 24 life insurance and 28 non-life insurance companies in the Indian market. The life insurance market grew from US$ 10.5 billion in FY2002-03 to US$ 27.5 billion in FY2016-17. Insurance premium collections are growing at almost 30% year on year. Data from IRDAI showed that 18 private sector general insurers saw the gross direct premia reach ₹53,662.95 crore, up by 35.16% from the last financial year. The Pradhan Mantri Fasal Bima Yojana played a significant role in the growth of the non-life insurance industry during FY2016-17. Gross direct premia of general insurance companies grew by 32% to ₹1.27 lac crore in FY2016-17. The total market size of the insurance sector in India is projected to touch US$ 350 to 400 billion by 2020 owing to the robust economic growth and increasing personal disposable incomes in the country. [Source: IBEF]

Mutual funds: The mutual fund industry in India started in 1963 with the formation of Unit Trust of India at the behest of the Government of India and the Reserve Bank of India. India's mutual fund industry asset base has grown 4.8x in the past 10 years and collections have jumped sharply over last two years. The assets under management of the Indian mutual fund industry have quintupled from ₹3.26 trillion as on 31st March 2007 to ₹17.55 trillion as on 31st March, 2017. The total number of accounts as on March 31, 2017 stood at 5.54 crore, while the number of folios under equity, ELSS and balanced schemes, wherein the maximum investment is from the retail segment, stood at 4.44 crore. Equity mutual fund AUM as a percentage of GDP doubled in the past three years. Equities account for more than three-fourths of the retail in mutual fund AUM with the absolute amount of inflows in equity schemes was high at ₹70,000 crore in 2016. Indian mutual funds have a significantly higher share of equity AUM compared with most emerging markets. Corporate investors accounted for ~45.9% of the total assets under management in India, while high net worth individuals and retail investors accounted for 28.6% and 22.9%, respectively. *[Source: IBEF; AMFI]*

Growth drivers

Increasing per capita income: The per capita income in India is expected to cross ₹1 lac in FY2017-18, a 7.5% increase over that in the last fiscal (~₹93,000). This could channelise more savings into financial markets including debt and equity intermediaries.

Consumer spending: According to a Boston Consulting Group report, consumer expenditures in India's Tier-II and Tier-III cities are rising by ~14% and by ~12% in the metros because of better employment opportunities and faster industrial growth. Financial inclusion savings has inculcated a savings habit among the masses and thereby enabled the accumulation and diversification of assets.

Growing awareness: The media has played a crucial role in introducing various financial products among the masses and institutions, providing guidance to investors so that they can invest their hard-earned money wisely.

Customisation and innovation: The financial services industry in India has grown steadily with companies coming up with a wide range of customised services to offer. Every financial contract and their trading can be tailored to suit the specific needs of consumers. Such services include online investment, money transfer, premium payment, bonus distribution and mobile app-based trading.

Digitisation: The financial services industry in India has leveraged digitisation and governmental support to reduce turnaround times, efforts and the cost of availing financial services. The compulsory use of the Aadhar card has been extended to insurance, trading and other financial sectors apart from the banking sector which ensures transactional safety. Using the online selling model, companies are making everything available at the click of a mouse, simplifying understanding of policies and rules.

Increasing demat accounts: In FY2014-15 and FY2015-16, the number of dematerialised accounts rose by 9.49% and 12.28%, respectively. As many as 2.4 million new dematerialised (demat) accounts were opened in the country in 2016. This reflects an increased willingness among people to trade in equities, commodities and derivatives. Earlier, people were risk-averse and invested only in banks and similar financial institutions but now they are aware that reduced risk investment can fetch them higher benefits over time than traditional

savings. *[Source: Economic Times]*

Distribution channels: The financial services in India is growing in capacity with expanding markets possessing newer distribution channels. The financial advisors and intermediaries are increasing rapidly to ensure the best services are provided to needy investors. Financial services such as underwriting and brokerage are currently available over the internet, discarding the need for a brick and mortar platform like before.

Reduced costs of trading: Financial products are tailor-made catering to the needs and conveniences of investors. These are priced in accordance with consumer spending with the underlying motive of earning big. Equity investment and derivative trading in India have a low total transaction cost compared to investing directly in the underlying asset.

Security: Financial services related to products like derivatives provide risk protection with minimal upfront investment and capital consumption. This allows investors to trade on future price expectations. These safeguard against risks related to interest rate or commodity price escalation. The market risks are reduced to a great extent using these financial products and this underlines the growth of securities in India. Apart from these, regulatory bodies like IRDA, SEBI, RBI, AMFI etc., address investor grievances rapidly and assurance is forwarded in terms of legitimate trading.

Investment (FDI/FPI/FII)

The Indian services sector, including financial, banking, insurance, non-financial business, outsourcing, research and development, courier and technical test analysis, has attracted the highest amount of FDI equity inflow in the period April 2000-December 2016, amounting to about US$ 58.345 billion which is about 17.99 % of the total foreign inflow, according to the Department of Industrial Policy and Promotion (DIPP). In April 2017, FPIs invested a net amount of ₹2,394 crore in equities and a further ₹20,364 crore in the debt segment, making for a combined inflow of ₹22,758 crore (US$3.5 billion) in the Indian equities and bonds market. FII investment into Indian equities and bonds in April touched a massive US$3.5 billion in April. Foreign direct investment (FDI) inflows into India in 2016 jumped 18% to a record US$46.4 billion, at a time when global FDI inflow fell. With the government initiatives to boost budgeted spending, FII interest in equity markets is expected to increase with about $ 5-10 billion inflow in 2017-18. *[Source: SEBI; ibef]*

Outlook

The financial services sector has improvised through robust innovation and customisation in offering services to investors. India's gross domestic savings (GDS) as a percentage of Gross Domestic Product (GDP) has remained above 30% since 2004. It is projected that national savings in India will reach US$ 1,272 billion by 2019. This will drive more investment in financial products and the demand for the time-bound financial services will aid the growth of the sector by leaps and bound. *[Source: ibef]*

Risk evaluation and mitigation

1. Product risk: Such risks arise out of the products on offer in the market to the customers.

Risk mitigation: Geojit has a well-diversified product portfolio offering brokerage, mutual fund management and portfolio management. Diversification and category expansion help the company reduce risks arising out of products to a great extent.

2. Market and regulatory risk: These risks are unavoidable and may pose the biggest threat to the business. Any changes in the capital market regulations or terms of dealings by the Ministry of Finance or SEBI could adversely affect the business.

Risk mitigation: Market risks include any drop in volumes because of an economic downturn, credit crisis, geopolitical risks. etc. While Geojit cannot be immune to these risks, diversification of income streams will enable the company to offset some of the negative consequences. High standards of employee training, ensuring strict compliance and regular monitoring of business operations are used by the company to ensure that regulatory risk is mitigated.

3. Operational risk: This relates to internal risks arising mainly out of malicious acts performed, misuse of data or loss of sensitive information by employees

Risk mitigation: The company has a stringent internal monitoring and control system. The Audit Committee of the company constantly monitors compliance with all internal rules. Geojit focuses on integrity and offers more time to the employees to shape and align their ideology with the vision of the company. It ensures that the rules and regulations related to company policy, credit and privacy are complied with.

4. Financial risk: Risk arising from loss due to non-trading, changes in consumer preference, failure in terms of generating adequate revenue

Risk mitigation: The business has diversified its arms into different markets, which lowers the financial risk of loss making, as profit out of one or more segments could nullify loss from other. The SIP-based approached in the mutual funds business has also helped to reduce the risk to a great extent. It has a low working capital cycle, which ensures steady cash flow into the business.

5. Technological risk: Relates to risk of lacking the technological bent in offering financial services and delivering financial products.

Risk mitigation: The company works much ahead of others and has first introduced internet trading and transactions in most of the services it offers. It has created online trading platform named SELFIE to ease the trading procedure for the customers. It offers online services that involve internet-based trading as well as smartphone-based trading.

6. Strategy risk: Risk arising out of major strategic moves that the company takes and those that the competitors may replicate

Risk mitigation: Geojit has devised different strategies to move at par or at times ahead of the competitors by relentlessly putting its effort into creating platforms for trading like SELFIE. It has expanded its

product distribution and services network by offering both online and offline access to customers across all its product categories. It is futuristic in nature and plans much ahead to safeguard the business from internal and external threats.

Financial performance analysis

Segment-wise performance

Equity: The industry remained muted owing to slow growth in the market trading due to demonetization and political disturbances in other economies. Equity trading for the company increased with the launch of online trading platform named SELFIE.

The average equity cash volume per day went up from ₹362 crore to ₹397 crore, an increase of 9%. In the Futures and Options segment, however, the comparable increase was 30 %, i.e. from ₹693 crore witnessed last year to ₹903 crore in FY 2017. Revenue from Mobile Trading was at ₹33 crore, as opposed to ₹21 crore recorded earlier, an increase of 56%. Similarly, income from internet broking, including mobile, increased from ₹53 crore last year to ₹63 crore, an increase of 19%.

The number of clients has increased from 8,23,000 to 8,65,000 clients, an increase of 5%. Assets under Management and Custody increased from ₹23,377 crore to ₹32,376 crore, an increase of 38%. Our network of offices stands at 511 offices. We continue to be present in 19 states and 2 Union Territories.

Mutual Fund: The mutual fund distribution business reported a growth of 48% from ₹13.91 crore in 2015-16 to ₹20.60 crore in 2016-17. Our sharper focus and efforts in promoting SIP and Mutual Funds have led to higher revenues. Higher returns from diversified investments and growing awareness relating to mutual funds industry resulted in a business segment growth along with better buying experience for the customers.

Depository Services: In line with the increase in the number of clients, the number of depository accounts increased by nearly 4% during the year, from 5.55 lakhs at the end of March 2016 to 5.77 lakhs at the end of March 2017.

Overseas operations

The company's overseas operations continued to grow in strength even as the austerity and localization drive affected Indian migrants. While India continued to top the world rankings in terms of remittances, the non resident Indians faced some uncertainty as the Gulf Region underwent seismic changes. However there is no let-up in our business activity there. This year, our Joint Venture, BBK Geojit Securities in Kuwait started turning into profit. Barjeel Geojit Securities in the UAE, remained highly profitable while others like Aloula Geojit Capital in Saudi Arabia and QBG Geojit Financial in Oman are showing strong volumes. We expect their performance to only get better.

Emerging opportunities & challenges

Strong protectionist sentiment globally, weaker international economic cooperation and the prospect of an escalating standoff in the Gulf could trip the global economy. The US Fed tightening monetary policy as well as a post-Brexit chaos could affect foreign inflows into the Indian market. In India, concerns about the roll out and implementation of GST regime exist. If it leads to confusion or if the administrative structure appears incapable of reorienting itself, then it could derail corporate investment and growth, affecting valuations and markets.

Surging domestic investor enthusiasm and the potential for financial products distribution offers the company better prospects. The company is poised to benefit from rising investor income, greater financialization of the economy and shift from savings to financial products.

Risk analysis and risk mitigation

The company is aware that it operates in an environment that is acutely vulnerable to several kinds of risks. The financial sector is vulnerable to a range of risks from economic, capital market and regulatory risks. Possible risks could include a precipitous decline in broking revenue as a result of regulatory action, market volatility, potential misuse of data, loss of sensitive information, technology obsolescence and employee malfeasance.

To address them, Geojit continues to expend significant time, effort and human resources to manage and mitigate such internal and external risks. The company is resolved to continuously monitor and upgrade risk management systems.

Internal controls

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. The Company has set up an Internal Control Committee to oversee all the internal control functions and report the observations to the Audit Committee on a periodic basis. The Company has in place an effective internal audit department which plans and executes a variety of audits with own staff as well as external professionals. Post audit reviews are also carried out to ensure follow up. The Audit Committee of the Board reviews the scope and observations of the internal audit on a regular basis.

Human resources

The increase in the number of clients, despite dull markets, can be attributed to the determination, hard work and focused efforts of the staff of the company. The company believes in building relationships. Keeping employees motivated and in a constant mission mode is one of its most important initiatives. The company believes in retaining its employees, who are technologically-driven and clear performers. Total employee strength of the Company as on March 31, 2017 was 2195.

CORPORATE INFORMATION

Name of the Company : Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

CIN : L67120KL1994PLC008403

Board of Directors

A P Kurian	: Chairman, Non-Executive Independent Director
C J George	: Managing Director
R Bupathy	: Non-Executive Independent Director
Mahesh Vyas	: Non-Executive Independent Director
M Beena (IAS)	: Nominee Director(KSIDC), Non-Executive Director
Punnoose George	: Non-Executive Director
Rakesh R Jhunjhunwala	: Non-Executive Director

Management Team

C J George	: Managing Director
Satish Menon	: Executive Director
A Balakrishnan	: Managing Director, Geojit Technologies Private Limited
Joe Peter	: Chief Financial Officer
Jaya Jacob Alexander	: Chief of Human Resources

Registrar & Share Transfer Agents:
S.K.D.C Consultants Limited,
Kanapathy Towers, 3rd Floor,
1391 / A - 1, Sathy Road, Ganapathy,
Coimbatore - 641 006
Tamil Nadu

Statutory Auditors:
M/s B S R & Associates LLP
(ICAI Regn No. 116231W/W-100024)
Chartered Accountants
3rd Floor, Syama Business Centre,
N H Bypass Road, Vytilla
Kochi - 682 019, Kerala, India

Bankers:
Axis Bank Ltd
HDFC Bank Ltd
State Bank of India
Federal Bank Ltd.
B N P Paribas S A
Citibank N A
Andhra Bank
IndusInd Bank
SVC Co-operative Bank Ltd.

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

Website: www.geojit.com

Listed at:
National Stock Exchange of India Limited (NSE)
BSE Limited (BSE)

Company Secretary: Liju K Johnson

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 23rd Annual Report of the Company for the financial year ended 31st March 2017.

FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	Standalone			Consolidated		
	2016-17	2015-16	Change (%)	2016-17	2015-16	Change (%)
Total Revenue	266.75	236.37	13	305.76	271.96	12
Total Expenditure	192.71	181.84	6	214.31	209.80	2
Profit / (Loss) before tax	74.04	54.53	36	91.45	62.16	47
Exceptional Item	(10.00)	-	(100)	-	-	-
Provision for tax	(25.73)	(18.93)	36	(30.19)	(17.92)	69
Minority Interests	-	-	-	(5.26)	(6.51)	(19)
Share of Profit/(loss) in Associate	-	-	-	0.02	(0.12)	120
Profit after tax	38.31	35.60	8	56.02	37.61	49

Review of performance

On a standalone basis, your Company has recorded a total income of ₹266.75 crores for the financial year ended 31st March 2017, an increase of 13% compared to last year's figure of ₹236.37 crores. The profit before tax is ₹74.04 crores and the net profit after tax is ₹38.31 crores. Basic earnings per share work out to ₹1.63 compared to ₹1.53 in the previous year.

On a consolidated basis your company earned a total income of ₹305.76 crores for the financial year, an increase of 12% over the previous year's figure of ₹271.96 crores, and profit before tax of ₹91.45 crores and a net profit of ₹56.02 crores.

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

Dividend

The Board in its meeting held on 26th May, 2017 has recommended a final dividend of ₹1.25 per equity share of Re. 1/- each (125%) for the financial year 2016-17. The proposal is subject to the approval of the shareholders of the Company at its ensuing Annual General Meeting to be held on 25th July, 2017.

Increase in share capital

During the year under review, the paid up share capital of the Company increased from ₹23,48,98,476/- divided into 23,48,98,476 equity shares of ₹1/- each to ₹23,55,44,665/-

divided into 23,55,44,665 equity shares of Re. 1/- each, consequent to the issue of 6,46,189 equity shares to employees upon exercise of stock options under Employee Stock Option Plan- 2010 of the Company.

Consolidated financial statement

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

Subsidiaries, joint ventures and associate companies

As on 31st March 2017, following are the subsidiaries/associate/joint ventures of the Company:

Subsidiaries :

i. Geojit Credits Private Limited

ii. Geojit Investment Services Limited

iii. Geojit Financial Management Services Private Limited

iv. Qurum Business Group Geojit Securities LLC

v. Geojit Technologies Private Limited

vi. Geojit Financial Distribution Private Limited

Joint Ventures :

i. Barjeel Geojit Securities LLC

ii. Aloula Geojit Capital Company

Associates :

i. BBK Geojit Securities Co. KSCC

The Board of Directors of the two wholly owned subsidiary companies viz. Geojit Financial Management Services Private Limited and Geojit Financial Distribution Private Limited proposed a scheme of merger with Geojit Investment Services Limited (another wholly owned subsidiary) pursuant to the provisions of Sections 391 to 394 and other applicable provisions, , of the Companies Act, 1956 (pending notification of the corresponding provisions of the Companies Act, 2013).

Meetings of the shareholders for approval of the scheme of merger were held in March, 2016 after giving due notice and publication in accordance with the directions of the High Court. The shareholders of the aforementioned companies approved the Scheme of Arrangement. A Petition has been filed seeking sanction of the Scheme of Amalgamation between the said companies. On notification of relevant sections under Companies Act, 2013, the above mentioned petition has now been transferred to National Company Law Tribunal (NCLT)

Change of name of the company

In accordance with the provisions of restated shareholders agreement entered between Company, BNP Paribas S A, its affiliate and the initial promoters of the Company, the Company has changed its name from Geojit BNP Paribas Financial Services Limited to Geojit Financial Services Ltd vide approval received from the Ministry of Corporate Affairs, Government of India, dated 9th February, 2017.

Directors and key managerial personnel

I. CESSATION

Jean Christophe Gougeon, Franciska Decuypere and Jean Philippe Huguet who were representing BNP Paribas ceased to be Directors of the Company from 4th August, 2016, 25th November, 2016 and 23rd November, 2016 respectively. The withdrawal of BNP Paribas nominee from the Board of the Company is in accordance with the provisions of restated shareholders agreement entered between Company, BNP Paribas S A, its affiliate and the initial promoters of the Company.

II. RETIREMENT BY ROTATION

In accordance with Article 80 of the Articles of Association of the Company, Mr. Punnoose George, Non-Executive Director (DIN 00049968) will retire by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Adoption of new articles of association of the company

The Company has adopted a new Articles of Association in view of the

changes as per Companies Act, 2013 and the re-stated Shareholders' Agreement between the Company, BNP Paribas S A, its affiliate and the initial promoters of the Company.

Annual evaluation of the board, its committee and individual directors

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

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

Familiarization programme for independent directors

The Independent Directors of the Company are persons of integrity, possessing rich experience and expertise in the field of corporate management, finance, capital market, economic and business information. The company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, duties, roles & responsibilities and expectations of the Independent Director. The Board of Directors has complete access to the information within the Company. Presentations are regularly made to the Board of Directors / Audit Committee / Nomination & Remuneration Committee / Corporate Social Responsibilities Committee / Stakeholders Relationship Committee on various related matters, where Directors have interactive sessions with the Management.

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

Remuneration policy

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

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

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

Remuneration Policy of the Company is given as Annexure VIII to the Directors Report.

Risk management policy

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

Whistle blower policy & vigil mechanism

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

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

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

Particulars of loans, guarantees or investments

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

Internal control system

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

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

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

Transfer of unpaid and unclaimed amounts to IEPF

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

Management's discussion & analysis

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

Insider trading regulations

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

Code of conduct for directors & senior officers

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

Human resources

As a service Company, the Company's operations are heavily dependent on qualified and competent personnel. As on 31st March 2017, the Company had 2195 employees. Your Company takes significant effort in training all employees at various levels.

Employee stock option scheme (ESOS)

The Company presently have two Employee Stock Option Schemes viz, ESOS 2010 and ESOS 2016. The Nomination & Remuneration Committee at its meeting held on August 04, 2016 granted 8,079,340 options under ESOS 2016. The Board of Directors of the Company has allotted total 51,27,124 equity shares of Re. 1/- each under ESOS 2010 Scheme to its employees who exercised the stock options on various dates at various exercise prices in accordance with the terms and conditions of ESOS.

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

Corporate social responsibility (CSR)

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

The Company has identified Education and Health as key focus areas of engagement for CSR activities. The Company would also undertake other initiatives in compliance with Section 135 read with Schedule VII of the Companies Act 2013. The Annual Report on CSR activities is annexed herewith and marked as Annexure IV to this report.

Particulars of employees

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

Directors' responsibility statement

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

i. in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed and there are no material departures from the same;

ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the company for the year ended on that date;

iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the Directors have prepared the annual accounts on a going concern basis;

v. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

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

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The Company has nothing to report in respect of information on conservation of energy and technology absorption as required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 since the Company is not engaged in manufacturing or processing business. The details regarding foreign exchange earnings and outgo are given as Annexure II to this Report.

Corporate governance

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

Secretarial audit report

In accordance with the provisions of Section 204 of the Companies Act, 2013, the Board has appointed M/s. Satheesh & Remesh - Company Secretaries in Whole Time Practice, Kochi as the Secretarial Auditor for the financial year 2016-17. The report of the Secretarial Auditor is annexed to this report as Annexure VI.

Auditors

At the Annual General Meeting held on 4th August, 2016, M/s. B S R & Associates LLP, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the Twenty Seventh Annual General Meeting to be held in the financial year 2021. In terms of Section 139 of the Companies Act, 2013, the appointment of auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. B S R & Associates LLP, Chartered Accountants as statutory auditors of the Company is placed for ratification by the shareholders.

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

Extract of annual return

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

Number of board meetings

The Board of Directors met 8 (eight) times in the financial year 2016-17. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Composition of audit committee

The Board has re-constituted the Audit Committee, on 8th December, 2016 with three Non- Executive Independent Directors comprising of Mr. R Bupathy, as the Chairman, Mr. A.P. Kurian and Mr. Mahesh Vyas as other Committee Members.

Related party transactions

All contracts/arrangements/transactions entered by the Company

during the financial year with the related parties were in the ordinary course of business and on an arm's length basis. During the year the company had not entered into any contract/ arrangement / transaction with any related party which could be considered material in accordance with the policy of the company on materiality of related party transactions. Thus, disclosure in Form AOC-2 is not required.

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

Your Directors draw attention of the members to Note 39 to the financial statement, which sets out related party disclosures.

Policy relating to directors appointment

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

Declaration by independent directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

Disclosure as per sexual harassment of women at workplace(prevention, prohibition and redressal) Act, 2013.

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. As required under the Law, an internal complaints committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place.

Your Directors further state that during the year under review, one complaint was received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and the same was investigated in accordance with the procedures prescribed and adequate steps were taken to resolve them.

General

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

a. Details relating to deposits covered under Chapter V of the Companies Act 2013.

b. Issue of equity shares with differential right as to dividend, voting or otherwise

c. Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except ESOS referred to in this report.

d. No significant or material orders were passed by the regulators or Courts or tribunals which impact the going concern status and Company's operation in future.

Acknowledgements

Your Directors wish to acknowledge the valuable guidance and assistance received from Securities and Exchange Board of India, Stock Exchanges & other Regulatory Authorities, BNP Paribas, KSIDC, our clients and business partners. We look forward to receiving their continued support and encouragement. The Board of Directors wishes to extend their thanks and appreciation and express their gratitude for the continuing commitment and dedication of employees at all levels. The Directors are thankful to the esteemed shareholders for their support and the confidence reposed in the Company.

For and on behalf of the Board of Directors

Place : Kochi
Date :26.05.2017

A P Kurian
Chairman

Annexure-I to DIRECTORS' REPORT

[Details of the Employee Stock Option Scheme (ESOS) as of March 31, 2017 pursuant to the requirements under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]

- The Company has two ESOS viz. ESOS 2016 and ESOS 2010.
- During the year under review, the Company has not amended the terms of stock options granted under ESOS 2016 and ESOS 2010.

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

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

The disclosures are provided in the Note 40 to the financial statements of the Company for the year ended 31st March, 2017.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

₹1.63

Details related to ESOS:

(i) The Company has in existence two ESOS during the year viz. ESOS 2016 and ESOS 2010. The stock options under ESOP 2010 were granted in four tranches and 8,079,340 options were granted as tranche 1 of ESOS 2016. The general terms and conditions of the same as given below:

Description	ESOS 2016- Tranche 1 (Granted during 2016-17)	ESOS 2010- Tranche II (Granted during 2012-13)	ESOS 2010- Tranche III (Granted during 2013-14)	ESOS 2010- Tranche IV (Granted during 2014-15)
(a) Date of shareholders' approval	August 04, 2016	July 12, 2010	July 12, 2010	July 12, 2010
(b) Total number of options approved under ESOS	94,00,000	1,12,00,000		
(c) Vesting requirements	Vesting will be on 1st of October every year starting from 1st Oct 2017, provided the employee has fulfilled the conditions of target achievement for the previous financial year. The vesting would be in four tranches over a period of 4 years.	100% of stock options shall vest on completion of two years from the grant date .		

Description	ESOS 2016- Tranche 1 (Granted during 2016-17)	ESOS 2010- Tranche II (Granted during 2012-13)	ESOS 2010- Tranche III (Granted during 2013-14)	ESOS 2010- Tranche IV (Granted during 2014-15)
d) Exercise price / pricing formula	Closing market price of the share in the Stock Exchange in which the highest volume was recorded on the date prior to the Nomination & Remuneration Committee Meeting date in which options were granted(i.e., ₹41.60 per option)	Closing market price of the share in the Stock Exchange in which the highest volume was recorded on the date prior to the Compensation Committee Meeting date in which options were granted(i.e, ₹20.55 per option)	Closing market price of the share in the Stock Exchange in which the highest volume was recorded on the date prior to the Compensation Committee Meeting date in which options were granted(i.e, ₹23.95 per option)	Closing market price of the share in the Stock Exchange in which the highest volume was recorded on the date prior to the Nomination & Remuneration Committee Meeting date in which options were granted(i.e, ₹41.45 per option)
(e) Maximum term of options granted	Eight years from the date of grant of stock options	Five years from the date of grant of stock options	Five years from the date of grant of stock options	Five years from the date of grant of stock options
(f) Source of shares (primary, secondary or combination)	Primary	Primary	Primary	Primary
(g) variation in terms of options	No variation in the terms of grant of stock options during 2016-17.	No variation in the terms of grant of stock options during 2016-17.	No variation in the terms of grant of stock options during 2016-17.	No variation in the terms of grant of stock options during 2016-17.
(ii) Method used to account for ESOS	Intrinsic Value			
(iii) (a) Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options.	₹195.46 lakhs			₹25.11 lakhs
(iii) (b) The impact of this difference on profits and on EPS of the Company.	Profit for the Year (As reported) ₹383,153,720 Add: Expense on Employee Stock Option Plans under Intrinsic Value Method- ₹ Nil Less: Expense on Employee Stock Option Plans under Fair Value Method- ₹22,056,976 Profit for the Year (Proforma)- ₹361,096,744 Basic earnings per share (As reported)- 1.63 Basic earnings per share (Proforma)- 1.54 Diluted earnings per share (As reported)- 1.63 Diluted earnings per share (Proforma)- 1.53			

(iv) Option movement during the year :

Description	ESOS 2016- Tranche 1	ESOS 2010- Tranche II	ESOS 2010- Tranche III	ESOS 2010- Tranche IV
Number of options outstanding at the beginning of the period	-	611,735	1,383,437	2,369,677
Number of options granted during the year	8,079,340	-	-	-
Number of options forfeited / lapsed during the year	688,760	31,690	71,020	229,075
Number of options vested during the year	-	-	-	2,316,539
Number of options exercised during the year	-	227,670	316,625	16,654
Number of shares arising as a result of exercise of options	-	227,670	316,625	16,654
Money realized by exercise of options (INR), if scheme is implemented directly by the Company		4,678,618	7,583,169	690,308
Loan repaid by the Trust during the year from exercise price received	-	-	-	-
Number of options outstanding at the end of the year	7,390,580	352,375	995,792	2,123,948
Number of options exercisable at the end of the year	-	352,375	995,792	2,123,948
V. (a) Exercise prices of the Options	41.60	20.55	23.95	41.45
(b) The weighted-average fair value of the options	11.19	4.71	5.70	16.64

VI. Options granted to Directors & Senior Managerial Personnel :

Name	Designation	No. of options granted under ESOS 2016 (Tranche 1)	No. of options granted under ESOS 2010 (Tranche II)	No. of options granted under ESOS 2010 (Tranche III)	No. of options granted under ESOS 2010 (Tranche IV)
Mr. Satish Menon	Executive Director	5,00,000*	6,900	9,876	10,390
Mr. A. Balakrishnan	Managing Director, Geojit Technologies (P) Ltd.	-	8,050	10,780	10,816
Ms. Jaya Jacob Alexander	Chief Human Resources	-	4,600	4,068	4,260
Mr. Joe Peter	Chief Financial Officer	-	3,000	5,394	2,934

* the stock options granted exceeded 5% of the total stock options granted during the year 2016-17.

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

Description	ESOS 2016- Tranche 1	ESOS 2010- Tranche II	ESOS 2010- Tranche III	ESOS 2010- Tranche IV
Weighted-average value of share price	41.60	20.55	23.95	41.45
Weighted-average exercise price	41.60	20.55	23.95	41.45
Expected volatility	43%	39%	42%	66%
Expected option life	1-4	2	2	2
Expected dividends	2.64%	4.04%	4.59%	0.46%
Risk-free interest rate	6.50%	8%	8%	8%
The method used and the assumptions made to incorporate the effects of expected early exercise;	Black – Scholes Options pricing model			
how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The following factors have been considered for ESOS 2010 & ESOS 2016: a) Dividend yield- based on dividend per share and average market price for one year prior to grant date. b) Historical volatility- Based on the highest and lowest market price one year prior to grant date. c) Discount Rate - Bond Equivalent Yield d) Expected Life in Years i.e. the period up to the date of vesting. e) Present Value of Exercise Price			
d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition				

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

Annexure II

Statement of foreign exchange earning and outgo

(in ₹)

Particulars	2016-17	2015-16
Foreign Exchange earnings	2,06,14,697	2,60,43,782
Foreign Exchange outgo	20,11,922	25,73,348

Annexure-III to the DIRECTORS' REPORT

Statement of Disclosure of Remuneration

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

1. Ratio of the remuneration of each Whole-time Director* to the median remuneration of the employees of the Company for the financial year 2016 - 17, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2016-17,

Sr. No.	Name of Director/Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration#
1.	Mr. C J. George	Managing Director and Chief Executive Officer	130.16	22%
2.	Mr. Joe Peter	Chief Financial Officer	Not applicable	12%
3.	Mr. Liju K Johnson	Company Secretary	Not applicable	4%

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

i. The percentage increase/decrease in the median remuneration of employees for the financial year was -2%.

ii. The Company had 2195 permanent employees on the rolls of Company as on 31st March, 2017.

iii. Average percentage increase made in the salaries of employees other than the key managerial personnel in the last financial year was .-3%.

iv. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

(b) Pursuant to Section 197 (12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name & Qualification	Age in Years	Designation	Remuneration received (in ₹)	Experience (in No. of years)	Date of commencement of employment	Last Employment	Nature of employment	% of shares held in the company	Whether related to any Directors or Manager of the Company
Mr. C.J. George M.Com, CFP	58	Managing Director	₹1,97,03,019	31	24.11.1994	Propreitor, Geojit & Co.	Permanent	18.37	No

On behalf of the Board of Directors
For Geojit Financial Services Limited

A.P. Kurian
Chairman
DIN : 00008022

Kochi
Date :26.05.2017

Annexure IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (2016-17)

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

   The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link is http://www.geojit.com/pdfs/CSR-Policy-GFS-27082014.pdf

2. **Composition of the CSR Committee:**

   1. Mr. A P Kurian - Independent Director
   2. Mr. C J George - Managing Director
   3. Mr. Punnoose George - Non Executive Director

3. **Average net profit of the Company for last three financial years: (2013-14, 2014-15, 2015-16)**

   Average Net Profit - ₹67.39 Crores

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

   The Company is required to spend ₹1,34,77,970 towards CSR.

5. **Details of CSR spend for the financial year (2016-17)**

   a. Total amount spent for the financial year : ₹1,36,,33,833

   b. Amount unspent, if any: Nil

1	2		3	4	5	6	7	8
Sl No.	CSR Project or Activity Identified		Projects or Programs (1) Local Area or Other (2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) - Project or Programs wise (Amount in INR)	Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overhead (Amount in INR)	Cumulative Expenditure up to the reporting period (Amount in INR)	Amount spent: Direct or through implementing agency (Amount in INR)
1	Education	Education support for Underprivileged Children	(1)Kerala State- Districts of Ernakulam, Alappuzha Calicut and Palakkad.	Schedule VII (ii)	16,25,000	16,62,500	16,62,500	Through Implementing Agency - 16,62,500
2		Scholarships for Professional Education of Poor and deserving students	(1) Local Area (2)Kerala, Karnataka, Maharashtra, Andhra Pradesh	Schedule VII (ii)	4,00,000	5,00,760	5,00,760	Through Geojit Foundation - 4,73,260 Directly spent by the Company -27,500
3		Student Police Cadet (SPC) Project	(1) Local Area (2)Kerala	Schedule VII (ii)	10,89,000	10,89,000	10,89,000	Through Geojit Foundation - 10,89,000
4	Health	Sparsh - Community Health Project	1) Local Area (2)Kerala, Tamil Nadu & Karnataka	Schedule VII (i)	36,40,000	34,27,970	34,27,970	Through Geojit Foundation - 34,27,970
5		Soukhyam-Medical Camp	1)Local Area (2) Ernakulam District	Schedule VII (i)	0	2,00,000	2,00,000	Through Geojit Foundation - 2,00,000
6		Support to Palluruthy Relief Centre	(1) Local Area (2)Ernakulam District	Schedule VII (i)	0	1,00,000	1,00,000	Through Geojit Foundation - - 1,00,000
7		Livelihood Enhancement Project for Visually Handicapped Women	(1) Local Area (2) Ernakulam District	Schedule VII (i)	8,64,000	7,40,200	7,40,200	Through Geojit Foundation - 7,40,200
8		Support to Alzheimer's Development Society	(1) Local Area (2) Ernakulam District	Schedule VII (i)	0	10,000	10,000	Through Geojit Foundation - 10,000

1	2		3	4	5	6	7	8
Sl No.	CSR Project or Activity Identified		Projects or Programs (1) Local Area or Other (2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) - Project or Programs wise (Amount in INR)	Amount spent on the projects or programs (1) Direct expenditure on projects or programs (2) Overhead (Amount in INR)	Cumulative Expenditure up to the reporting period (Amount in INR)	Amount spent: Direct or through implementing agency (Amount in INR)
9	Social Inclusion	Bodhini	(1) Local Area (2)Ernakulam District	Schedule VII (iii)	3,60,000	3,60,000	3,60,000	Through Geojit Foundation - 3,60,000
10	Ensuring Ecological Balance	Kerala Fine Arts Society	(1) Local Area (2) Ernakulam District	Schedule VII (iv)	5,00,000	5,00,000	5,00,000	Through Geojit Foundation - - 5,00,000
		Subash Chandra Bose Park Maintenance	(1) Local Area (2) Ernakulam District	Schedule VII (iv)	5,000,000	5,000,000	5,000,000	Through Geojit Foundation - 5,000,000
11	Promoting Gender Equality	Uniform for Nirbhaya Volunteers	(1) Local Area (2) Ernakulam District	Schedule VII (iii)	0	40,000	40,000	Through Geojit Foundation - - 40,000
12	Administrative Expenditure for CSR				3,403			Directly spent by the Company - 3,403
	TOTAL				1,34,78,000	1,36,33,833	1,36,33,833	1,36,33,833

6. The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

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

SD/-
A P Kurian
Member, CSR Committee & Independent Director

Annexure V
CORPORATE GOVERNANCE REPORT

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS

The Board of Directors comprises of one Executive and six Non-Executive Directors of which three are Independent Directors. Except for the Managing Director, Independent Directors and Nominee Director, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

Meeting and Composition

During the year ended 31st March 2017, eight Board Meetings were held on 26th May, 2016, 29th June, 2016, 4th August, 2016, 3rd November, 2016, 8th December, 2016, 27th January, 2017 and 23rd March, 2017. There were two Board Meetings on 4th August 2016.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of other directorships and memberships of committees are given below:

Name of Director	Category	Number of shares held in the Company as on 31.03.2017	Attendance at		Directorships and Chairmanship / Membership of Board Committees in Other Companies as on 31.03.2017		
			Board Meetings	Last AGM	Director	Committee Member	Committee Chairman
Mr. A.P. Kurian	C, NE & I	3,99,600	8	Yes	3	3	1
Mr. C. J. George	MD & P	4,32,79,636	8	Yes	2	2	1
Mr. R. Bupathy	NE & I	18,000	8	Yes	2	2	2
Dr. M Beena*	N, NE	Nil	2	No	2	Nil	Nil
Mr. Mahesh Vyas	NE & I	Nil	6	No	1	1	Nil
Ms. Franciska Decuypere^	NE	Nil	1$	No	Nil	Nil	Nil
Mr. Jean Christophe Gougeon^	NE	Nil	1&	No	Nil	1	Nil
Mr. Jean Philippe Huguet^	NE	Nil	Nil	No	Nil	Nil	Nil
Mr. Punnoose George	NE	99,25,000	7	Yes	1	1	Nil
Mr. Rakesh Jhunjhunwala	NE	1,80,37,500	1$	No	3	Nil	Nil

C: Chairman; NE: Non-Executive Director; I: Independent Director; MD: Managing Director; N: Nominee Director; P: Promoter

*Kerala State Industrial Development Corporation Limited (KSIDC) a public financial institution owned by Government of Kerala which holds about 8.5% of equity shares of the Company nominated Dr. M Beena, IAS, Managing Director of KSIDC Limited as their Nominee Director in the Board of the Company w.e.f. 5th February 2016.

& Meeting attended through tele conference

$ Meeting attended through video-conference.

^ Jean Christophe Gougeon, Franciska Decuypere and Jean Philippe Huguet who were representing BNP Paribas ceased to be Directors of the Company from 4th August, 2016, 25th November, 2016 and 23rd November, 2016 respectively.

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

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

REAPPOINTMENT OF DIRECTORS

Mr. Punnoose George shall retire by rotation at the ensuing Annual General Meeting pursuant to Section 152 of Companies Act, 2013 and being eligible offers himself for reappointment. The brief resume and information relating to Mr. Punnoose George is furnished as part of the Notice convening the Annual General Meeting.

AUDIT COMMITTEE

The Company's Audit Committee consisted of three Non–Executive Independent Directors and one Non-Executive Director during the year. Mr. Jean Christophe Gougeon and Mr. Jean Philippe Huguet ceased to be the members of the Committee from 4th August 2016 and 23rd November, 2016 respectively, on their cessation from directorship of the Board.

The Committee was then reconstituted on 8th December, 2016 with three Non- Executive Independent Directors.

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

Meeting and Composition

During the year ended 31st March 2017, the Committee met five times on 26th May 2016, 3rd August 2016, 2nd November 2016, 27th January 2017 and 23rd March 2017.

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

Name of Members of Audit Committee	Category	No. of meetings attended
Mr. R. Bupathy	Chairman, Non – Executive Independent Director	5
Mr. A.P. Kurian	Member, Non – Executive Independent Director	5
Mr. Mahesh Vyas	Member, Non – Executive Independent Director	4
Jean Philippe Huguet*	Member, Non-Executive Director	0
Jean Christophe Gougeon *	Member, Non-Executive Director	0

*Mr. Jean Christophe Gougeon and Mr. Jean Philippe Huguet ceased to be the members of the Committee from 4th August 2016 and 23rd November, 2016 respectively, on their cessation from directorship of the Board.

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

Duties

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the

board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

Review of Information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Management letters/letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Reporting

1. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee and the Chairman of the Committee shall, at a minimum attend the Board meeting at which the accounts are approved.

2. The Audit Committee shall annually review its terms of reference and its own effectiveness and recommend to the Board any necessary changes.

3. If the Board does not accept the audit committee recommendation the same shall be disclosed in the Board's report along with the reasons therefore.

4. The Audit Committee Chairman shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Audit Committees activities and its responsibilities.

NOMINATION & REMUNERATION COMMITTEE

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

The Committee consisted of two Non – Executive Independent Directors and two Non- Executive Directors. Ms. Franciska Decuypere ceased to be the member of the Committee from 25th November, 2016, on her cessation from directorship of the Board. The Committee was then reconstituted on 8th December, 2016.

The broad terms of reference of the Remuneration Committee are as follows

1) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

2) Formulation of criteria for evaluation of Independent Directors and the Board.

3) Devising suitable policy on board diversity

4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

5) To formulate a policy to ensure that:

   a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c. remuneration to directors, key managerial person and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goal.

6) to consider other topics as determined by the Board of Directors of the Company.

Meeting and Composition

Three meetings of the Committee were held during the year on 26th May 2016, 4th August 2016 and 23rd March 2017.

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

Name of Members of Nomination & Remuneration Committee	Category	No. of meetings attended
Mr. R. Bupathy	Chairman, Non – Executive Independent Director	3
Mr. Mahesh Vyas	Member, Non – Executive Independent Director	2
Mr. Punnoose George	Member, Non- Executive Director	3
Ms. Franciska Decuypere*	Member, Non-Executive Director	0

*Ms. Franciska Decuypere ceased to be the member of the Committee from 25th November, 2016, on her cessation from directorship of the Board.

The Committee recommended following criteria for evaluation of Independent Directors:

- Professional qualifications of the Director
- Brings relevant experience to the Board and uses it effectively;
- Sufficient understanding and knowledge of the entity and financial service sector
- Ability to function as an effective team member
- Effective contribution to the company in the Board Meetings

- Integrity and maintaining of confidentiality;
- Independent views and judgment
- Independence from the entity and other Directors

Remuneration to Managing Director

The remuneration structure of the Managing Director comprises of salary, commission, perquisites and allowances, contribution to Provident Fund and Gratuity. The service contract is for a period of 5 years w.e.f. 24.11.2014.

The details of remuneration paid / payable to the Managing Director for the year 2016-17 is given below –

a) Salaries - ₹79,29,498
b) Perquisites - ₹6,55,521
c) Commission - ₹1,11,18,000
d) Stock option - Nil

Remuneration to Non-Executive Directors

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

Board Meeting	₹30,000 for each Meeting till June, 2016
	₹40,000 for each Meeting from August, 2016
Audit Committee Meeting	₹30,000 for each Meeting till June, 2016
	₹40,000 for each Meeting from August, 2016
Other Committees (Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stake-holders' Relationship Committee)	₹10,000 for each Meeting
Independent Directors' Meeting	₹30,000 for each Meeting till June, 2016
	₹40,000 for each Meeting from August, 2016

The total amount of sitting fees paid during the year was ₹20,10,000/- as follows -

Name of Director	Details of Sitting Fees Paid					
	For Board Meeting	For Audit Committee Meeting	For Nomination and Remuneration Committee Meeting	For Stakeholders' Relationship Committee Meeting	For Corporate Social Responsibility Committee Meeting	For Independent Directors' Meeting
Mr. A P Kurian	3,00,000	1,90,000	NA	-	10,000	40,000
Mr. R Bupathy	3,00,000	1,90,000	30,000	10,000	-	40,000
Mr. Mahesh Vyas	2,20,000	1,50,000	20,000	-	-	40,000
Mr. Punnoose George	2,70,000	-	30,000	10,000	10,000	
Dr. M Beena (KSIDC Nominee)	80,000	-	-	-	-	-
Mr. Rakesh JhunJhunwala	40,000	-	-	-	-	-
Ms. Franciska Decuypere^	30,000	-	-	-	-	-
Mr. Jean Philippe Huguet^	-	-	-	-	-	-
Mr. Jean Christophe Gougeon^	-	-	-	-	-	-
Total	**12,40,000**	**5,30,000**	**80,000**	**20,000**	**20,000**	**1,20,000**

^ Jean Christophe Gougeon, Franciska Decuypere and Jean Philippe Huguet who were representing BNP Paribas ceased to be Directors of the Company from 4th August, 2016, 25th November, 2016 and 23rd November, 2016 respectively and ceased to be the members of Committees.

CORPORATE SOCIAL RESPONSIBILITY

The Company's Corporate Social Responsibility Committee (CSR) consisted of one Independent Director, one Whole-time Director and one Non Executive Director as its members during the year. Ms. Franciska Decuypere, the Non-Executive Director resigned from the Board effective from 25th November, 2016. The Committee was then reconstituted on 8th December, 2016 and Mr. Punnoose George, Non-Executive Director, joined as a member of the Committee. The constitution was in accordance with the provisions of Companies Act, 2013. The Board of Directors have adopted a CSR Policy to streamline the CSR activities and convey to all the stakeholders the CSR focus areas adopted by the Company.

The CSR committee recommends the specific CSR initiatives to be adopted by the Company, the amount of expenditure to be budgeted for the activities, monitors the CSR Policy of the company and provide to the Board a responsibility statement on the implementation and monitoring of CSR Policy

Meeting and Composition

During the year ended 31st March 2017, one CSR committee meeting was held on 23rd March, 2017. The composition of the Committee and their attendance details are given below:

Name of Members of Corporate Social Responsibility Committee	Category	No. of meetings attended
Mr. A P Kurian	Chairman, Non – Executive Independent Director	1
Mr. C J George	Member, Whole time Director	1
Mr. Punnoose George	Member, Non- Executive Director	1
Ms. Franciska Decuypere*	Member, Non-Executive Director	0

*Ms. Franciska Decuypere ceased to be the member of the Committee from 25th November, 2016, on her cessation from directorship of the Board.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee (SRC) consisted one Independent Director, one Whole-time Director and two Non Executive Directors as its members during the year. Mr. Jean Christophe Gougeon ceased to be the member of the Committee from 4th August 2016 on his cessation from directorship of the Board. The Committee was then reconstituted on 4th August, 2016 and Mr. Jean Philippe Huguet joined as a member of the Committee. Mr. Jean Philippe Huguet ceased to be the member of the Committee from 23rd November, 2016. The Committee was then reconstituted on 8th December 2016 with one Independent Director, one Whole-time Director and one Non Executive Director. The constitution was in accordance with the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

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

Meeting and Composition

One meeting of the Committee was held during the year on 23rd March, 2017. The composition of the Committee and their attendance details are given below:

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

Given below is the position of investor queries / complaints and other correspondences received and attended to during 2016-17 :

Nature of complaint / queries	No. of complaints
For non-receipt of dividend, shares lodged for transfer, issue of duplicate share certificates.	Nil
Queries / Complaints redressed	Nil
Pending queries / complaints as on 31.03.2017	Nil
Other letters received from shareholders and replied	40

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

ENTERPRISE RISK MANAGEMENT COMMITTEE

The Company re-constituted the committee namely Enterprise Risk Management Committee w.e.f 27th January, 2017 with committee members consisting of one Whole-Time Director, one Non Executive Independent Director and one Non-Executive Director. The Board of Directors have also adopted an Enterprise Risk Management Policy.

Meeting and Composition

No meetings of the Committee were held during the year 2016-17. The details on composition of the Committee is given below:

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

DE-MATERIALISATION OF SHARES AND TRANSFERS

99.77% of shares of the Company are traded in de-materialized form. A table showing the requests received for de-materialization / transfer during 2016-17 is given below –

	Transfers		Demats		Remats	
	No. of requests	No. of shares	No. of requests	No. of shares	No. of requests	No. of shares
Lodged	36	2,58,000	5	2,69,000	Nil	Nil
Processed	36	2,58,000	5	2,69,000	Nil	Nil
Objections	Nil	Nil	Nil	Nil	Nil	Nil
Pending as on 31.03.2017	Nil	Nil	Nil	Nil	Nil	Nil

GENERAL BODY MEETINGS

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

Year	Location	Date	Time	No. of Special Resolutions approved at the AGM
2015-2016	The Renai Cochin, Palarivattom, Kochi - 682025	04.08.2016	4.00 p.m	1
2014-2015	The Renai Cochin, Palarivattom, Kochi - 682025	30.07.2015	3.00 p.m	Nil
2013-2014	The Renai Cochin, Palarivattom, Kochi - 682025	15.07.2014	4.00 p.m	Nil

Extra-Ordinary General Meetings

No Extra- Ordinary General Meeting was held during the year 2016-17.

Postal Ballot

No special resolution requiring postal ballot is being proposed on or before the ensuing Annual General Meeting of the Company.

During the year under review, two special resolutions have been passed through the exercise of postal ballot. A snapshot of the voting results of the postal ballot is as below:

Date of Postal Ballot Notice:	20.12.2016	Voting Period:	27.12.2016 to 25.01.2017
Date of Declaration of Results:	27.01.2017	Date of Approval:	25.01.2017

Name of Resolution	Type of resolution	No: of votes polled	Votes cast in favour		Votes cast against	
			No: of Votes	%	No: of Votes	%
Approval for Change of Name of the Company from "Geojit BNP Paribas Financial Services Limited" to "Geojit Financial Services Limited" and consequent alteration to Memorandum of Association and Articles of Association of the Company.	Special Resolution	130684526	130683524	99.999	1002	0.001
Adoption of new set of Articles of Association.	Special Resolution	130710726	130709494	99.999	1232	0.001

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

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

Procedure for Postal Ballot

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provides electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-facility to all its Members. The Members have the option to vote either by physical ballot or by e-voting.

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

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

The Scrutiniser submits his/her report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorised officer.

The results are also displayed on the website of the Company, www.geojit.com, besides being communicated to the Stock Exchanges, Depositories and the Registrar and Transfer Agent.

DISCLOSURES

1. **Related Party Transactions**

   All related party transactions during the year were on an arm's length price basis and in the ordinary course of business. All these transactions were approved by Audit Committee. The Board approved the policy for related party transactions, which has been uploaded on the website of the company and can be accessed at http://geojit.com/about-us/pdfs/related%20party%20policy.pdf

   Loan given to Subsidiary - Geojit Credits Private Limited ₹6,47,00,000/- (Maximum amount outstanding during the current year is ₹7,47,00,000/-

   Related party disclosures are provided in Note 39 of the Notes forming part of the accounts in accordance with the provisions of Accounting Standard 18 – "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

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

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

3. Vigil Mechanism and Whistle Blower Policy

The Company has laid down a Vigil Mechanism and formulated a Whistle Blower Policy in order to provide a framework for responsible and secure whistle blowing mechanism. Details of the Vigil Mechanism are given in the Directors' Report. The Policy can be accessed at: http://geojit.com/pdfs/vigil_mechanism_whistle_blower_policy.pdf

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

4. Policy for Determining Material Subsidiaries

In terms of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at: http://geojit.com/pdfs/policy%20on%20material%20subsidiary.pdf

5. The Company has fulfilled the following non mandatory requirements as prescribed under Schedule II Part E of SEBI (LODR) Regulations, 2015 :

i. The statutory financial statements of the Company are unmodified.

ii. Mr. A P Kurian is the Chairman of the Company and Mr. C J George is the CEO and Managing Director of the Company.

iii. The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee and makes presentations to the Audit Committee on their reports.

UNCLAIMED DIVIDEND

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

Year	Type of Dividend	Dividend per share (in Rs)	Date of Declaration	Due Date of Transfer	Amount as on 31.03.2017 (in ₹)
2010	Final	0.75	12.07.2010	18.08.2017	9,91,720
2011	Final	0.75	12.07.2011	18.08.2018	9,63,132
2012	Final	0.75	12.07.2012	18.08.2019	11,21,282
2013	Interim	0.75	15.03.2013	21.04.2020	12,75,305
	Final	0.25	12.07.2013	18.08.2020	4,31,860
2014	Final	0.10	15.07.2014	21.08.2021	1,68,219
2015	Final	1.75	30.07.2015	05.09.2022	17,40,036
2016	Interim	1.00	17.03.2016	23.04.2023	8,47,089

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

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

Year	Type of Dividend	Date of Declaration	Amount transferred (in ₹)	Date of transfer to IEPF
2017	Final	11.07.2009	6,54,043	26.09.2016
2016	Final	26.07.2008	9,63,100	21.08.2015
2015	Interim	27.01.2007	4,04,603	01.04.2014

The details of shareholders not claimed dividend during the last 7 years and details of related shares to be transferred to IEPF is uploaded in the website of the Company at www.geojit.com/pdfs/GFS-7-year-unclaimed-div-shares-to-IEPF-Authority-REVISED.pdf

MEANS OF COMMUNICATION

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

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

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting

Date	July 25, 2017
Time	4.00 p.m (IST)
Venue	The Renai Cochin, Palarivattom, Kochi, Kerala 682025
Financial year	1 April 2016 - 31 March 2017
Dividend payment date	Within 30 days from the date of Annual General Meeting

The Company follows April – March as the Financial Year

Listing on Stock Exchanges

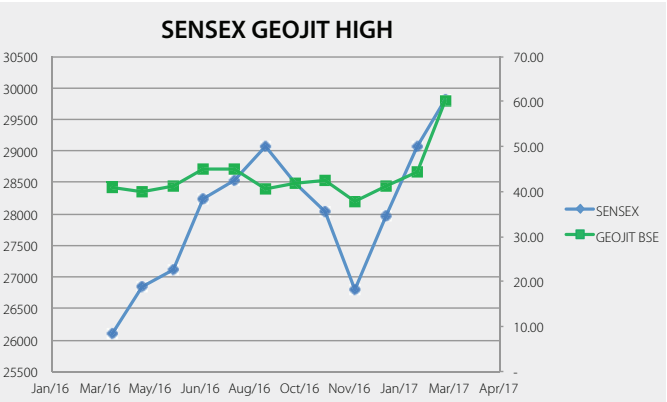
Stock Exchanges	ISIN	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001	INE007B01023	532285
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	INE007B01023	GEOJITFSL

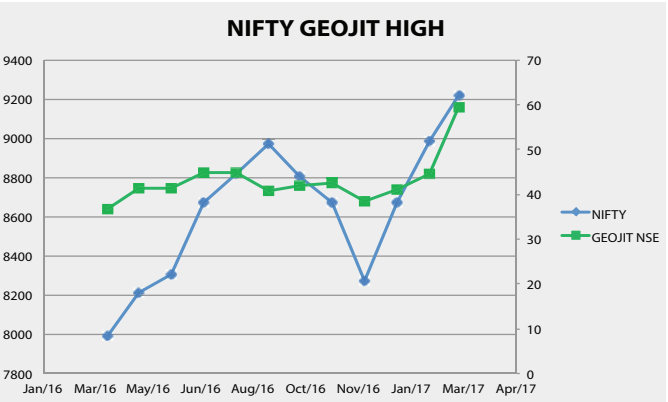
The Company has paid the annual listing fees to NSE and BSE for the financial year 2016-17.

Market Price data : Market price of the equity shares of the Company during 2016-17 is given in the table below

	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2016	36.75	30.15	41.00	30.00
May 2016	41.40	34.20	39.90	34.65
June 2016	41.25	36.05	41.20	36.40
July 2016	44.70	38.50	45.00	38.50
August 2016	44.90	38.10	45.00	38.30
September 2016	40.65	35.50	40.55	35.10
October 2016	41.95	36.50	41.95	37.00
November 2016	42.45	31.90	42.50	34.00
December 2016	38.40	34.00	37.80	34.10
January 2017	41.15	34.30	41.25	34.20
February 2017	44.50	38.15	44.40	38.25
March 2017	59.50	41.55	60.00	41.50

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





Distribution of the shareholding on the basis of categories of shareholders as on 31st March 2017 is as under:

Category Code	Category of shareholder	No. of shareholders	Total no. of shares	Percentage to total shares
(A)	**Shareholding of Promoter and Promoter Group**			
(1)	**Indian**			
(a)	Individuals	11	49,218,812	20.90
(b)	Bodies Corporate	2	2,18,73,650	9.29
	Sub-Total (A)(1)	**13**	**71,092,462**	**30.19**
(2)	**Foreign**			
(a)	Bodies Corporate	1	76,688,959	32.56
	Sub-Total (A)(2)	**1**	**76,688,959**	**32.56**
	Total shareholding of Promoter and Promoter Group (A) =(A)(1)+(A)(2)	**14**	**147,781,421**	**62.75**
(B)	**Public Shareholding**			
(1)	**Institutions**			
(a)	Mutual Funds/UTI	2	4,971,940	2.11
(b)	Financial Institutions/ Banks	2	15,040	0.01
(c)	Foreign Portfolio INV (IND.CAT III)	1	460,833	0.19
(d)	Foreign Portfolio INV (CORP.CAT)	5	51,94,908	2.20
	Sub-Total (B)(1)	**10**	**10,642,721**	**4.51**
(2)	**Non-Institutions**			
(a)	Bodies Corporate	271	2,439,253	1.04
(b)	Individuals			
	i. Individual shareholders holding nominal share capital up to ₹2 Lakh.	29,704	25,692,334	10.91
	ii. Individual shareholders holding nominal share capital in excess of ₹2 Lakh.	20	7,589,971	3.22
(c)	Trust	2	40400	0.02
(d)	Directors & their relatives	5	3,28,80,100	13.96
(e)	Non resident Indians	751	6,890,732	2.92
(f)	Clearing members	204	693,740	0.29
(g)	Hindu undivided families	439	893,993	0.38
	Sub-Total (B)(2)	**31,396**	**77,120,523**	**32.74**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**31,406**	**87,763,244**	**37.25**
	TOTAL (A) +(B)	**31,420**	**235,544,665**	**100.00**

Distribution of shareholding as on 31st March 2017 is as under:

Shareholding of nominal value of ₹	No. of Shareholders	% of Shareholders	Amount of Share Capital in ₹	% of Shareholding
Up to 5,000	30,181	96.06	11,964,125	5.08
5,001 – 10,000	665	2.12	4,923,085	2.09
10,001 – 20,000	294	0.94	4,204,148	1.78
20,001 – 30,000	92	0.29	2,296,362	0.97
30,001 – 40,000	65	0.21	2,354,934	1.00
40,001 – 50,000	24	0.08	1,130,960	0.48
50,001 – 100,000	42	0.13	3,075,463	1.31
100,001 and above	57	0.18	205,595,588	87.29
Total	**31420**	**100.00**	**235,544,665**	**100.00**

Registrar and Transfer Agents	S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu - 641 006
Share Transfer System	Application for transfer of shares held in physical form is received at the office of the Registrars and Share Transfer Agents of the Company. The share certificates in physical format are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Shares held in de-materialised form are electronically traded and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository, the beneficiary holdings so as to enable them to update their records. Physical shares received for dematerialisation are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect.
Dematerialisation of shares and liquidity	99.77% of the Company's paid-up equity share capital has been de-materialised up to 31st March, 2017. Trading in equity shares of the Company is permitted only in de-materialised form.
Outstanding ADRs / GDRs / Warrants and Convertible instruments, conversion date and likely impact on equity.	The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments in the past and hence as on March 31, 2017 the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.
Plant Locations	In view of the nature of the Company's business viz., financial services, the company operates from various offices in India.
Address for Correspondence	For any assistance regarding dematerialisation of shares, share transfers, transmission, change of address, non-receipt of dividend or any other query relating to shares or for any general correspondence, contact:
	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu - 641 006 Phone: 0422–4958995, 2539835-836, Fax: 0422- 2539837. Email: info@skdc-consultants.com
	The Company Secretary Geojit Financial Services Limited, 34/659-P, Civil Line Road, Padivattom, Kochi, Kerala - 682024 Phone: 0484- 2901000, Fax: 0484- 2979695. Email: companysecretary@geojit.com

CEO / CFO CERTIFICATION

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

To
The Board of Directors,
Geojit Financial Services Ltd

We, C J George, Managing Director (CEO) and Joe Peter, Chief Financial Officer (CFO) of the Company hereby certify that-

a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of our knowledge and belief :

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not found any significant deficiencies in the design or operation of such internal controls.

d) We have indicated to the auditors and the Audit Committee that there are

   i) no significant change in internal control over financial reporting during the year;

   ii) no significant change in accounting policies during the year; and

   iii) no instances of any significant fraud have come to our notice, which involve the management or an employee of the Company having significant role in the Company's internal control system over financial reporting.

Place : Kochi
Date : 18.05.2017

C.J George
Managing Director

Joe Peter
Chief Financial Officer

DECLARATION ON CODE OF CONDUCT

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

Place: Kochi
Date: 26.05.2017

C.J George
Managing Director

Auditors' certificate on CORPORATE GOVERNANCE

To the Members of
Geojit Financial Services Limited
(formerly known as Geojit BNP Paribas Financial Services Limited)

We have examined the compliance of conditions of Corporate Governance by Geojit Financial Services Limited (formerly known as Geojit BNP Paribas Financial Services Limited) ('the Company'), for the year ended 31 March 2017, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Restrictions on use
This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

for B S R & Associates LLP
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Annexure VI
SECRETARIAL AUDIT REPORT

FORM NO. MR-3

Secretarial Audit Report

(For the period 01.04.2016 to 31.03.2017)

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

To,
The Members
Geojit Financial Services Limited (L67120KL1994PLC008403)
(formerly known as Geojit BNP Paribas Financial Services Limited)
Kochi

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Geojit Financial Services Limited (L67120KL1994PLC008403) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with various regulatory authorities and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on March 31, 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2017, as per the provisions of:-

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. Provisions of the Reserve Bank of India Act, 1934 to the extent the same is applicable to the Company.

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

a. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ; (Not applicable to the Company during the audit period)
e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period)
g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period); and
h. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

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

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

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

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

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

Based on the aforesaid information provided by the Company, we report that during the financial year under review, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards etc. mentioned above and we have no material observation or instances of non-Compliance in respect of the same.

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

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

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

We further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, etc, referred to above.

For Satheesh and Remesh
Company Secretaries

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

Place : Kochi
Date : 26.05.2017

To,
The Members
Geojit Financial Services Limited (L67120KL1994PLC008403)
(formerly known as Geojit BNP Paribas Financial Services Limited)
Kochi

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

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

For Satheesh and Remesh
Company Secretaries

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

Place : Kochi
Date : 26.05.2017

Annexure VII
FORM NO. MGT-9

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L67120KL1994PLC008403
ii	Registration Date	24.11.1994
iii	Name of the Company	Geojit Financial Services Limited
iv	Category / Sub-Category of the Company	Public Company/ Limited by shares
v	Address of the Registered office and contact details	34/659-P, Civil Line Road, Padivattom, Kochi – 682 024, Ph:0484 - 2901000, Fax: 0484 - 2979695, email: mailus@geojit.com www.geojit.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu – 641 006 Ph: 0422 - 2539837, email: info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Securities Brokerage Services	99715210	83.46%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of holding as on 31.03.2017	Applicable sections
1.	Geojit Investment Services Limited 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U52599KL1995PLC008606	Subsidiary	100%	2(87)(ii)
2.	Geojit Credits Private Limited 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U65910KL1991PTC006106	Subsidiary	67.75%	2(87)(ii)
3.	Geojit Financial Management Services Private Limited 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U67200KL2004PTC017330	Subsidiary	100%	2(87)(ii)
4.	Geojit Technologies Private Limited 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U72900KL2004PTC017332	Subsidiary	65%	2(87)(ii)
5.	Geojit Financial Distribution Private Limited 34/659-P, Civil Line Road, Padivattom, Kochi - 682 024	U67200KL2004PTC017331	Subsidiary	100% held by wholly owned subsidiary of the Company	2(87)(ii)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of holding as on 31.03.2017	Applicable sections
6.	Qurum Business Group Geojit Securities LLC PO Box:205, PC:103, Sultanate of Oman, Office - ERNST & YOUNG Building, 2nd Floor, Al Qurum, Muscat	Not Applicable	Subsidiary	51%	2(87)(ii)
7.	Barjeel Geojit Securities LLC Suite M2-203, Commercial Bank Of Dubai Bldg, Near Clock Tower, Al Ain, UAE	Not Applicable	Associate	30%	2(6)
8.	Al-oula Geojit Capital Company Abu Baker Road, Al-Nuzha, Riyadh, P.O BOX: 86303 Riyadh 11622	Not Applicable	Associate	28%	2(6)
9.	BBK Geojit Securities Co. K.S.C.C 8th Floor, Khalefah Towers, Ahmed Al Jabber Street, Sharq, Kuwait	Not Applicable	Associate	30%	2(6)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 1, 2016				No. of Shares held at the end of the year March 31, 2017				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	4,88,41,112	0	4,88,41,112	20.792	4,92,18,812	0	4,92,18,812	20.896	0.104
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,18,73,650	0	2,18,73,650	9.312	2,18,73,650	0	2,18,73,650	9.286	-0.026
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**7,07,14,762**	**0**	**7,07,14,762**	**30.104**	**7,10,92,462**	**0**	**7,10,92,462**	**30.182**	**0.078**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	7,66,88,959	0	7,66,88,959	32.648	7,66,88,959	0	7,66,88,959	32.558	-0.090
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**7,66,88,959**	**0**	**7,66,88,959**	**32.648**	**7,66,88,959**	**0**	**7,66,88,959**	**32.558**	**-0.090**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**14,74,03,721**	**0**	**14,74,03,721**	**62.752**	**14,77,81,421**	**0**	**14,77,81,421**	**62.74**	**-0.012**

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 1, 2016				No. of Shares held at the end of the year March 31, 2017				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds /Banks / FI	57,26,391	0	57,26,391	2.438	49,86,980	0	49,86,980	2.117	-0.321
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	50,65,393	0	50,65,393	2.156	0	0	0	0	-2.156
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)									
h-i) Foreign Portfolio Investment - Individual	4,40,000	0	4,40,000	0.187	4,60,833	0	4,60,833	0.196	0.009
h-ii) Foreign Portfolio Investment - Corporate	14,58,306	0	14,58,306	0.621	51,94,908	0	51,94,908	2.205	1.584
Sub-total (B)(1)	**1,26,90,090**	**0**	**1,26,90,090**	**5.402**	**10642721**	**0**	**1,06,42,721**	**4.518**	**-0.884**
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	18,15,503	94,020	19,09,523	0.813	24,37,233	2020	24,39,253	1.036	0.223
ii) Overseas	-	-	-	-	-	-	-	-	-
b)Individuals									
i) Individual shareholders holding nominal share capital up to ₹2 lakh	2,28,19,022	5,18,774	2,33,37,796	9.935	25161511	530823	25692334	10.91	0.975
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	94,24,291	0	94,24,291	4.012	7589971	0	7589971	3.22	-0.792
c) Others									
c-i) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
c-ii) Trusts	400	0	400	0	40,400	0	40,400	0.017	0.017
c-iii) Directors & their Relatives	3,28,80,100	0	3,28,80,100	13.998	3,28,80,100	0	3,28,80,100	13.959	-0.039
c-iv) Clearing Members	3,51,957	0	3,51,957	0.150	6,93,740	0	6,93,740	0.295	0.145
c-v) Hindu Undivided Families	7,66,201	0	7,66,201	0.326	893993	0	8,93,993	0.380	0.054
d) NRI's	61,34,397	0	61,34,397	2.612	68,90,732	0	68,90,732	2.925	0.313
Sub-total (B)(2):	**7,41,91,871**	**6,12,794**	**7,48,04,665**	**31.846**	**7,65,87,680**	**5,32,843**	**7,71,20,523**	**32.742**	**0.896**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**8,68,81,961**	**6,12,794**	**8,74,94,755**	**37.248**	**8,72,30,401**	**5,32,843**	**8,77,63,244**	**37.260**	**0.012**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**23,42,85,682**	**6,12,794**	**23,48,98,476**	**100.00**	**23,50,11,822**	**5,32,843**	**23,55,44,665**	**100.00**	**0.000**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	C.J. George	4,32,79,636	18.425	0	4,32,79,636	18.374	0	-0.051
2	BNP Paribas S A	7,66,88,959	32.648	0	7,66,88,959	32.558	0	-0.090
3	Kerala State Industrial Development Corporation Limited	2,00,00,000	8.514	0	2,00,00,000	8.491	0	-0.023
4	Shiny George	50,38,000	2.145	0	50,38,000	2.139	0	-0.006
5	BNP Paribas India Holding Private Limited	18,73,650	0.798	0	18,73,650	0.795	0	-0.003
	Total	**14,68,80,245**	**62.53**	**0**	**14,68,80,245**	**62.357**	**0**	**-0.173**

* The decrease in % of total shares in the company is due to allotment of 6,46,189 shares under ESOS 2010.

(iii) Change in Promoters' Shareholding : Nil

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares in the beginning (01-04-2016)/end of the year(31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Esvee Capital	50,65,393	2.156	01.04.2016	0	Nil movement during the year		
		50,65,393	2.151*	31.03.2017	0		50,65,393	2.151*
2	Franklin India Smaller Companies Fund	45,99,998	1.958	01.04.2016			45,99,998	1.958
				22.04.2016	23,829	Buy	46,23,827	1.968
				29.04.2016	1,09,667	Buy	47,33,494	2.015
				27.05.2016	2,00,000	Buy	49,33,494	2.100
		49,33,494	2.095	31.03.2017			49,33,494	2.095
3	Rekha Jhunjhunwala	45,00,000	1.916	01.04.2016	0	Nil movement during the year		
		45,00,000	1.910*	31.03.2017	0		45,00,000	1.910*
4	Shamsudheen K V	21,15,500	0.901	01.04.2016			21,15,500	0.901
				10.06.2016	5,000	Buy	21,20,500	0.903
				30.06.2016	3,000	Buy	21,23,500	0.903
		21,23,500	0.901	31.03.2017			21,23,500	0.901

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares in the beginning (01-04-2016)/end of the year(31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	Jagrut Prataprai Gandhi	13,40,076	0.570	01.04.2016			13,40,076	0.570
				11.11.2016	-1,00,000	Sell	12,40,076	0.527
				16.12.2016	-17,901	Sell	12,22,175	0.519
				03.02.2017	-22,175	Sell	12,00,000	0.510
				03.03.2017	-50,000	Sell	11,50,000	0.489
				10.03.2017	-50,000	Sell	11,00,000	0.467
				17.03.2017	-1,00,000	Sell	10,00,000	0.425
		10,00,000	0.425	31.03.2017	0		10,00,000	0.425
6	Manish Prataprai Gandhi			01.04.2016			13,39,724	0.570
				11.11.2016	-1,00,000	Sell	12,39,724	0.527
				16.12.2016	-15,000	Sell	12,24,724	0.521
				23.12.2016	-10,691	Sell	12,14,033	0.516
				03.02.2017	-14,033	Sell	12,00,000	0.510
				03.03.2017	-72,715	Sell	11,27,285	0.479
				10.03.2017	-27,285	Sell	11,00,000	0.467
				17.03.2017	-1,00,000	Sell	10,00,000	0.425
		10,00,000	0.425	31.03.2017	0		10,00,000	0.425
7	Rising India Focus Fund Limited	10,93,306	0.465	01.04.2016			10,93,306	0.465
				11.11.2016	-10,27,306	Sell	66,000	0.028
		0	0.000	18.11.2016	-66,000	Sell	0	0.000
8	Andicot Velayudhan Baburajan	10,58,450	0.451	01.04.2016	0	Nil movement during the year		
		10,58,450	0.449*	31.03.2017	0		10,58,450	0.449*
9	Chander Bhatia	10,00,000	0.426	01.04.2016	0	Nil movement during the year		
		10,00,000	0.425*	31.03.2017	0		10,00,000	0.425*

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares in the beginning (01-04-2016)/end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	Religare Invesco Mid N Small Cap Fund	7,05,788	0.300	01.04.2016			7,05,788	0.300
				22.04.2016	-62,884	Sell	6,42,904	0.274
				28.10.2016	-41,250	Sell	6,01,654	0.256
				04.11.2016	-5,10,565	Sell	91,089	0.039
		0	0.000	11.11.2016	-91,089	Sell	0	0.000
11	Satish Ramakrishna Menon	6,27,882	0.267	01.04.2016			6,27,882	0.267
				17.06.2016	11,920	ESOS	6,39,802	0.272
		6,39,802	0.272	31.03.2017	0		6,39,802	0.272
12	Binoy Varghese Samuel			01.04.2016	0	Nil movement during the year	5,39,935	0.229
		5,39,935	0.229*	31.03.2017	0		5,39,935	0.229

* The decrease in % of total shares in the company is due to allotment of 6,46,189 shares under ESOS 2010.

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

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A.	Directors				
1	**A.P. Kurian, Chairman**				
	At the beginning of the year	3,99,600	0.17	-	-
	Market Purchase	-	-	-	-
	At the End of the year	-	-	3,99,600	0.17
2	**C.J. George, Managing Director**				
	At the beginning of the year	4,32,79,636	18.425	-	-
	Market purchase	-	-	-	-
	At the End of the year			4,32,79,636	18.374*
3	**Rakesh Jhunjhunwala, Director**				
	At the beginning of the year	1,80,37,500	7.679	-	-
	Market purchase	-	-	-	-
	At the End of the year	-	-	1,80,37,500	7.658*
4	**Punnoose George, Director**				
	At the beginning of the year	99,25,000	4.225	-	-
	Market purchase	-	-	-	-
	At the End of the year	-	-	99,25,000	4.214*

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

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A. Directors *(contd...)*					
5	**R. Bupathy, Director**				
	At the beginning of the year	18,000	0.008	-	-
	Market Purchase	-	-	-	-
	At the End of the year	-	-	18,000	0.008
B. Key Managerial Personnel					
6	**Joe Peter, CFO**				
	At the beginning of the year	8,750	0.004	-	-
	Shares allotted under ESOP	-	-	5,394	0.002
	At the End of the year	-	-	14,144	0.006
7	**Liju K Johnson, Company Secretary**				
	At the beginning of the year	Nil	Nil		
	At the End of the year	Nil	Nil		

* The decrease in % of total shares in the company is due to allotment of 6,46,189 shares under ESOS 2010 and ESOS 2007.

V. INDEBTEDNESS (in ₹)

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
Addition	24,72,55,78,266	0	0	24,72,55,78,266
Reduction	24,72,55,78,266	0	0	24,72,55,78,266
Net Change	**0**	**0**	**0**	**0**
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 Directors and/or Manager: (₹ In Lakhs)

Sl. No.	Particulars of Remuneration	C J George – Managing Director	Total Amount
C J George - Managing Director			
1	Gross salary	-	85.85
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	79.295	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6.555	
	(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	111.180	111.18
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	197.03	197.03
	Ceiling as per the Act		370.60

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

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount(₹)
1	Independent Directors	A P Kurian	R Bupathy	Mahesh Vyas	-	
	Fee for attending board/committee meetings	5,40,000	5,70,000	4,30,000	-	15,40,000
	Commission	-	-	-	-	-
	Other specify	-	-	-	-	
	Total (1)	-	-	-	-	15,40,000
2	Other Non-Executive Directors	Rakesh Jhunjhunwala	Punnoose George	M Beena	Franciska Decuypere	
	Fee for attending board / committee meetings	40,000	3,20,000	80,000	30,000	4,70,000
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (2)	-	-	-	-	4,70,000
	Total (B)=(1+2)	-	-	-	-	20,10,000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act					8,15,31,165.21

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Joe Peter (CFO)	Liju K Johnson (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29,82,984	11,70,548	41,53,532
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	75,261	4,433	79,694
	(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, please specify	-	-	-
	Total (C)	**30,58,245**	**11,74,981**	**42,33,226**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishments levied on the Company during the year.

Annexure VIII
REMUNERATION POLICY

1. Introduction

Geojit Financial Services is an intermediary in the savings and investment segment of India since January 1987. The company always believed its "Employees" to be the most vital component and steps have been taken at all times to ensure that the employees are motivated for improving organizational effectiveness.

One of the important tools at the hands of the Company is an appropriate remuneration structure considering the nature of the Industry. The compensation policy has always served the need for attracting and retaining the best employees. Considering the industry being cyclic and unpredictable in nature the Company always looked at a balancing act by providing fixed and variable monetary and non-monetary benefits to employees.

In pursuance of the Company's commitment towards good corporate governance, the Company had a Compensation Committee from May 2000 consisting of three Directors of the Board of which two were Independent Directors. Over the years, the Committee was reconstituted periodically with change in members and with adequate representation of independent members. To align with the statutory requirements under the Companies Act 2013 and the Amended Cl.49 of the Equity Listing Agreement, the Board of the Company in its meeting held on 14th May 2014 has renamed the existing Compensation Committee as "Nomination and Remuneration Committee".

2. Constitution of the Nomination and Remuneration Committee (NRC)

As mandated under Sec.178(1) of the Companies Act, the Board of the Company in exercise of its powers, has constituted the Nomination and Remuneration Committee comprising of the following Directors:

1. R Bupathy (Independent Non-Executive Director) – Chairman of NRC
2. Mahesh Vyas (Independent Non-Executive Director) – Member
3. Punnoose George (Non-Executive Director) – Member

3. Applicability of the Policy

This Policy is applicable to:

- Directors (both Executive & Non-Executive)
- Key Managerial Personnel (MD & CEO, Chief Financial Officer, Company Secretary)
- Senior Management Personnel means personnel of the Company who are members of its core management team, comprising of the Heads of Sales, Operations and Human Resources
- All other employees

4. Types of Remunerations and role of NRC

The NRC shall ensure that the level and composition of remuneration to the Directors, KMPs, SMPs and employees of the Company are reasonable and sufficient to attract, retain and motivate quality manpower required to run the company successfully. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance etc of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario,

business environment and remuneration package of the industry. The current structure of remuneration as detailed below shall be reviewed by NRC periodically to ensure its adequacy.

I. Direct Remuneration refers to monetary benefits offered to employees, in return for the services they provide to the organization. The monetary benefits include fixed salary consisting of Basic Salary, allowances, perquisites and statutory contributions. The Direct Remuneration may be designed keeping in mind the industry standards and follows a minimum remuneration benchmark. Indirect Remuneration refers to non-monetary benefits offered to employees with some benefits extended to dependent family members, so that employees enjoy work-life balance. It includes additional holidays and leave over and above the statutory requirements, Leave travel reimbursement, , annual Executive medical check-up for employee and spouse, corporate mobile connection, subsidized meals, soft loans, group medical insurance, group personal accident insurance etc.

II. Strategic Remuneration consists of compensation packages determined and provided to the employees that are aligned with the business goals and objectives. Keeping abreast with today's competitive scenario, company has taken special measures regarding compensation of the employees so that it can retain valuable employees. The remuneration includes:

- Monthly and Annual Incentives: based on individual and team performance and also on the profitability of the Division/Company.
- Profit sharing Bonus to Senior Management personnel: paid annually as a percentage of the net profits of the Company subject to consistent performance.
- Merit Raise; by way of Promotions and salary hikes for exceptional performance of employees
- ESOPs: given to employees in recognition for their performance and for their association with the company.

5. Remuneration of Non-Executive Directors

1. The Non-Executive Directors of the Company (both promoter director/independent director) shall be paid sitting fees for the meetings that they attend.
2. The Non-Executive Directors shall be reimbursed reasonable costs for attending meeting of the board and committees thereof.

6. Remuneration of Managing Director

The Managing Director of the Company shall be paid remuneration as approved by the Shareholders on the recommendation of the Board and Nomination & Remuneration Committee. It shall consist of direct remuneration, indirect remuneration and also a strategic remuneration based on the performance of the Company which shall be in accordance with the provisions of the Act.

7. Remuneration of KMPs and SMPs

The remuneration to KMPs and SMPs shall include direct remuneration and indirect remuneration primarily. Strategic remuneration appropriate to the performance of KMPs and SMPs will be paid subject to the prevailing policy.

8. Remuneration of Other Employees

The remuneration to employees other than KMPs and SMPs shall include direct remuneration, indirect remuneration and strategic remuneration which can be Performance Linked and/or Profit linked incentive .These incentives include Monthly Incentives and consistent performers are also rewarded with Annual incentives and other strategic remuneration.

9. Effective Date of the Policy

The Policy shall be effective from 1st April 2014.

FINANCIALS SECTION

Independent Auditor's Report

To the Members of **Geojit Financial Services Limited**
(formerly known as Geojit BNP Paribas Financial Services Limited)

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of Geojit Financial Services Limited *(formerly known as Geojit BNP Paribas Financial Services Limited)* (the "Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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 31 March 2017 and its profits and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. 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 Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

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

   (b) in our opinion proper books of account as required by law

have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28(i) to the standalone financial statements;

ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. the Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 43 to the standalone financial statements.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The Company is a service company, primarily rendering financial services. Accordingly, paragraph 3 (ii) of the Order is not applicable.

(iii) The Company has granted a loan to one of it's subsidiary covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the subsidiary covered in the register maintained under Section 189 of the Act was not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loan granted to the subsidiary covered in the register maintained under Section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to the subsidiary.

(iv) In our opinion and according to the information and explanations given to us, and based on the legal opinion obtained by the management, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, guarantees given and investments made as applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits falling under the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, duty of excise, value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,573,221 (2,573,221)*	2000-01	Honorable High Court of Kerala
Income Tax Act, 1961	Income Tax	1,033,321 (1,033,321)*	2001-02	Honorable High Court of Kerala

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	909,450 (909,450)*	2002-03	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	1,516,840 (1,516,840)*	2007-08	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	2,800,120 (1,623,570)*	2008-09	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	72,056,240	2009-10	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income Tax	2,093,220	2010-11	Commissioner of Income Tax (Appeals), Kochi
Finance Act, 1994	Service Tax, Interest & Penalty	448,298	2003-04	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service Tax & Penalty	4,714,293	April 2008 to June 2012	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	1,095,232	2009-10	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	813,065	2010-11	Commissioner of Central Excise (Appeals), Kochi
Finance Act, 1994	Service Tax & Penalty	355,754	2013-14	Commissioner of Central Excise (Appeals), Kochi

* This amount represents the payment made under protest.

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

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

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

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

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

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Annexure B to the Independent Auditors' Report

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Geojit Financial Services Limited *(formerly known as Geojit BNP Paribas Financial Services Limited)* ("the Company") as of 31 March 2017 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 ('ICAI'). 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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 31 March 2017, 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 **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Balance sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 (₹)	As at 31 March 2016 (₹)
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	235,544,665	234,898,476
(b) Reserves and surplus	4	3,715,666,433	3,318,438,183
		3,951,211,098	**3,553,336,659**
2. Share application money pending allotment	27	**812,306**	**470,678**
3. Non-current liabilities			
(a) Long-term liabilities	5	15,425,040	18,179,891
(b) Long-term provisions	6	49,564,649	11,416,834
		64,989,689	**29,596,725**
4. Current liabilities			
(a) Trade payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		67,849,145	73,757,695
(b) Other current liabilities	8	2,262,000,383	1,517,601,588
(c) Short-term provisions	9	11,366,824	1,513,668
		2,341,216,352	**1,592,872,951**
TOTAL		**6,358,229,445**	**5,176,277,013**
B. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible fixed assets	10A	481,769,205	515,181,546
(ii) Intangible fixed assets	10B	68,860,730	64,834,338
		550,629,935	580,015,884
(b) Non-current investments	11	282,713,619	382,713,619
(c) Deferred tax assets (net)	12	32,085,000	31,378,000
(d) Long-term loans and advances	13	923,114,268	1,040,437,756
(e) Other non-current assets	14	1,996,424	2,509,801
		1,790,539,246	**2,037,055,060**
2. Current assets			
(a) Current investments	15	722,068,702	-
(b) Trade receivables	16	1,337,510,651	962,543,207
(c) Cash and cash equivalents	17	1,803,077,103	1,408,534,268
(d) Short-term loans and advances	18	212,326,030	222,509,533
(e) Other current assets	19	492,707,713	545,634,945
		4,567,690,199	**3,139,221,953**
TOTAL		**6,358,229,445**	**5,176,277,013**
Significant accounting policies	2		
The notes referred to above form an integral part of the standalone financial statements			

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Statement of profit and loss for the year ended 31 March 2017

Particulars	Note No.	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
1. Revenue from operations	20	2,443,463,004	2,172,981,063
2. Other income	21	224,035,452	190,680,131
3. **Total revenue (1+2)**		**2,667,498,456**	**2,363,661,194**
4. Expenses:			
(a) Operating expenses	22	562,012,097	487,783,461
(b) Employee benefit expenses	23	803,258,539	765,242,451
(c) Finance costs	24	5,310,734	7,266,142
(d) Depreciation and amortisation expenses	10	123,850,231	113,192,479
(e) Other expenses	25	432,650,135	444,868,096
Total expenses		**1,927,081,736**	**1,818,352,629**
5. **Profit before exceptional item and tax (3-4)**		**740,416,720**	**545,308,565**
6. Exceptional item	26	(100,000,000)	-
7. **Profit before tax (5+6)**		**640,416,720**	**545,308,565**
8. Tax expense:			
(a) Current tax		256,970,000	172,580,000
(b) Current tax expense relating to prior years		1,000,000	-
(c) Deferred tax		(707,000)	16,766,000
Total tax expense		**257,263,000**	**189,346,000**
9. **Profit for the year (7-8)**		**383,153,720**	**355,962,565**
10. **Earnings per equity share (face value of ₹1/- each)**	38		
(a) Basic		1.63	1.53
(b) Diluted		1.63	1.52
Significant accounting policies	2		
The notes referred to above form an integral part of the standalone financial statements			

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Cash flow statement for the year ended 31 March 2017

Particulars	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional item and tax	**740,416,720**	**545,308,565**
Adjustments for:		
Depreciation and amortisation	123,850,231	113,192,479
(Profit) / loss on sale of fixed assets	(1,939,736)	1,423,014
Finance costs	5,310,734	7,266,142
Interest income	(133,236,012)	(97,535,695)
Dividend income	(20,536,251)	(25,812,985)
Net (gain) on sale of current investments - mutual funds	(38,134,052)	(28,171,417)
Bad debts written off	9,537	1,384,531
Provision for doubtful trade receivables and advances (net)	336,014	-
Provision for doubtful debts / deposits written back (net)	-	(476,762)
Liabilities no longer payable, written back	(4,095,154)	-
	(68,434,689)	(28,730,693)
Operating profit before working capital changes	671,982,031	516,577,872
Changes in working capital:		
Adjustments for (increase) / decrease in:		
Trade receivables	(375,312,995)	181,282,771
Loans and advances	102,461,719	32,888,495
Other current assets	50,532,874	(222,888,396)
	(222,318,402)	(8,717,130)
Adjustments for increase / (decrease) in:		
Trade payables	(1,813,396)	(57,107,913)
Other current liabilities	751,420,051	177,590,118
Long-term liabilities	(2,754,851)	(2,944,674)
Short-term and long-term provisions	40,258,172	2,023,504
	787,109,976	119,561,035
Cash generated from operations	1,236,773,605	627,421,777
Net income tax (paid)	(245,359,252)	(113,735,448)
Net cash flow from operating activities (A)	**991,414,353**	**513,686,329**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(70,866,509)	(202,110,177)
Proceeds from sale of fixed assets	2,111,954	17,675,223
Investment in mutual funds	(14,733,440,229)	(6,909,609,260)
Proceeds from disposal of mutual funds	14,049,505,579	6,937,780,677
Loan given to subsidiary	(20,000,000)	-
Loan realised from subsidiary	29,222,532	-
Advance for investment in subsidiary	(16,345,285)	-
(Increase) / decrease in fixed deposit with banks	(2,983,978)	(35,780,518)
Interest received on fixed deposits	129,807,984	94,582,119
Interest received from subsidiary company on loans given	5,982,529	7,498,650
(Increase) / decrease in unpaid dividend bank accounts	3,491,171	(4,383,772)
Dividend from non-trade, long term investments	20,536,251	25,812,985
Net cash flow from / (used in) investing activities (B)	**(602,978,001)**	**(68,534,073)**

Cash flow statement for the year ended 31 March 2017

Particulars	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (repayment of) short term borrowings (net)	-	(250,000,000)
Proceeds from issue of shares	14,250,041	83,944,982
Share application money received pending allotment	812,306	470,678
Finance cost paid	(5,310,734)	(7,358,853)
Dividends paid	(3,491,171)	(638,513,045)
Tax on dividend paid	-	(130,878,665)
Net cash flow (used in) / from financing activities (C)	**6,260,442**	**(942,334,903)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**394,696,794**	**(497,182,647)**
Cash and cash equivalents at the beginning of the year	505,124,764	1,002,307,411
Cash and cash equivalents at the end of the year	**899,821,558**	**505,124,764**
Reconciliation of cash and cash equivalents with the balance sheet:		
Cash and cash equivalents as per balance sheet (Refer note 17)	1,803,077,103	1,408,534,268
Less: Unpaid dividend accounts not considered as 'Cash and cash equivalents', as defined in AS 3 cash flow statements (Refer Note 17)	(7,538,644)	(11,029,815)
Less: Earmarked deposits with banks not considered as 'Cash and cash equivalents', as defined in AS 3 cash flow statements (Refer Note 17)	(895,716,901)	(892,379,689)
Cash and cash equivalents at the end of the year (Refer note 17) *	**899,821,558**	**505,124,764**
* Comprises:		
(a) Cash on hand	540,697	618,578
(b) Balances with banks		
(i) Current accounts:		
- Clients	858,603,688	458,853,166
- Others	26,639,719	45,653,020
(ii) Deposit accounts	14,037,454	-
	899,821,558	**505,124,764**
Significant accounting policies (refer note no. 2)		
The notes referred to above form an integral part of the standalone financial statements		

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Notes forming part of the standalone financial statements

1. Corporate information

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

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Tangible and intangible fixed assets

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

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Notes forming part of the standalone financial statements *(contd...)*

2.6 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation on tangible fixed assets has been provided under the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Building	40 years
Furniture & Fixtures in leasehold premises	5 years
Electrical Equipments	5 years
VSAT Equipments	5 years
Data Centre Equipments	5 years
Vehicles	5 years

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

Computer software, an intangible asset, is amortised under straight-line method over the estimated useful life of 5 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

2.7 Revenue recognition

Brokerage income is recognized on the trade date of transaction upon confirmation of the transaction by the stock exchange and client. Income from depository services, penal charges and portfolio management services are recognised on the basis of agreements entered into with clients and when the right to receive the income is established. Commission income from financial products distribution is recognised on the basis of agreements entered into with principals and when the right to receive the income is established. Interest income from margin funding business is recognised on loans given to clients on time proportion basis.

2.8 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive the income is established. Shared services cost is recognised based on agreements entered into with the parties.

2.9 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the Statement of Profit and Loss.

2.10 Investments

Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

Notes forming part of the standalone financial statements *(contd...)*

2.11 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

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

Defined benefit plan

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.12 Employee share based payments

The Company has formulated Employee Stock Option Plans (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines and the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India, the excess, if any, of the closing market price on the day prior to the grant of the options under ESOP over the exercise price is amortised on a straight-line basis over the vesting period under the 'Intrinsic Value Method'.

2.13 Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

Notes forming part of the standalone financial statements *(contd...)*

2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

2.16 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

2.17 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Notes forming part of the standalone financial statements *(contd...)*

Note 3: **Share capital**

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount ₹	Number of shares	Amount ₹
(a) Authorised:				
Equity shares of ₹1/- each	250,000,000	250,000,000	250,000,000	250,000,000
	250,000,000	**250,000,000**	**250,000,000**	**250,000,000**
(b) Issued, subscribed and fully paid-up:				
Equity shares of ₹1/- each	235,544,665	235,544,665	234,898,476	234,898,476
	235,544,665	**235,544,665**	**234,898,476**	**234,898,476**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening balance	Changes during the year (ESOP)	Closing balance
Equity shares of ₹1/- each:			
Year ended 31 March 2017			
- Number of shares	234,898,476	646,189	235,544,665
- Amount (₹)	234,898,476	646,189	235,544,665
Year ended 31 March 2016			
- Number of shares	231,383,195	3,515,281	234,898,476
- Amount (₹)	231,383,195	3,515,281	234,898,476

(ii) **Rights attached to equity shares:**

The Company has issued only one class of equity share having a face value of ₹1/- per share. The holder of each equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The interim and final dividends proposed by the Board of Directors are subject to the approval of the shareholders in the Annual General Meeting.

During the year, the per share interim dividend paid to equity shareholders was ₹ Nil (Previous year: ₹1/-) and final dividend recommended for distribution to equity shareholders is ₹1.25/- (Previous year: ₹ Nil).

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

(iii) **Details of shareholders holding more than 5% of the equity share capital:**

Class of shares / name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of ₹1/- each:				
- BNP Paribas SA	76,688,959	32.56%	76,688,959	32.65%
- C. J. George	43,279,636	18.37%	43,279,636	18.42%
- Kerala State Industrial Development Corporation	20,000,000	8.49%	20,000,000	8.51%
- Rakesh Jhunjhunwala	18,037,500	7.66%	18,037,500	7.68%

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

(iv) As at 31 March 2017, 10,862,695 equity shares (Previous year: 4,364,849 equity shares) of ₹1/- each are reserved towards outstanding employee stock options granted (Refer Note 40).

Notes forming part of the standalone financial statements *(contd...)*

Note 4: **Reserves and surplus**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Capital reserve		
Balance at the beginning and end of the year	33,345,030	33,345,030
(b) Securities premium		
Opening balance	2,010,219,449	1,929,773,307
Add: additions during the year	14,074,530	80,446,142
Closing balance	2,024,293,979	2,010,219,449
(c) General reserve		
Balance at the beginning and end of the year	380,296,186	380,296,186
(d) Surplus in statement of profit and loss		
Opening balance	894,577,518	825,037,539
Add: Profit for the year	383,153,720	355,962,565
(Less): Interim dividend paid to equity shareholders @ ₹ Nil per share (Previous year: ₹1/- per share)	-	(234,898,476)
(Less): Corporate dividend tax	-	(48,446,360)
(Less): Dividend on Equity Shares allotted under ESOPs	-	(3,077,750)
Closing balance	1,277,731,238	894,577,518
	3,715,666,433	3,318,438,183

Note 5: **Long-term liabilities**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Security deposits		
(i) From business associates	9,872,633	11,287,838
(ii) Rent deposits	2,700,000	2,700,000
(b) Other long-term liabilities		
(i) Lease equalisation liability	2,852,407	4,192,053
	15,425,040	18,179,891

Note 6: **Long-term provisions**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Provision for employee benefits		
(i) Gratuity	44,054,326	3,899,925
(ii) Compensated absences	5,510,323	7,516,909
	49,564,649	11,416,834

Notes forming part of the standalone financial statements *(contd...)*

Note 7: **Trade payables**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 29)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	67,849,145	73,757,695
	67,849,145	73,757,695

Note 8: **Other current liabilities**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Unclaimed dividends	7,538,644	11,029,815
(b) Client balances	2,090,689,829	1,377,869,200
(c) Security deposits		
(i) Accepted from business associates	2,262,598	1,137,393
(d) Other payables		
(i) Statutory dues payable	22,137,411	18,608,729
(ii) Dues to creditors for capital goods	9,415,869	12,945,954
(iii) Stock exchange balances	48,311,528	9,704,234
(iv) Employee welfare fund	479,667	3,221,260
(v) Accrued salaries and benefits	52,178,409	54,394,419
(vi) Accrued expenses and dues to other creditors	27,061,217	28,434,297
(vii) Lease equalisation liability	1,925,211	256,287
	2,262,000,383	1,517,601,588

Note 9: **Short-term provisions**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Provision for employee benefits		
(i) Compensated absences	3,624,025	1,513,668
(b) Provision for income tax	7,742,799	-
	11,366,824	1,513,668

Note 10: **Fixed assets**

Particulars	Gross block				Accumulated depreciation and amortisation				Net block	
	As at 1 April 2016	Additions	Disposals	As at 31 March 2017	As at 1 April 2016	For the year	Disposals	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A. Tangible fixed assets										
(a) Land - freehold	68,424,536	-	-	68,424,536	-	-	-	-	68,424,536	68,424,536
	68,424,536	-	-	*68,424,536*	-	-	-	-	*68,424,536*	*68,424,536*
(b) Buildings (Refer note (a) below)	165,734,768	-	-	165,734,768	14,003,445	4,143,372	-	18,146,817	147,587,951	151,731,323
	165,689,895	*44,873*	-	*165,734,768*	*9,860,740*	*4,142,705*	-	*14,003,445*	*151,731,323*	*155,829,155*
(c) Furniture and fixtures	120,625,844	6,787,945	1,497,969	125,915,820	79,397,735	8,515,527	1,493,335	86,419,927	39,495,893	41,228,109
	112,216,645	*9,095,194*	*685,995*	*120,625,844*	*71,635,501*	*8,413,766*	*651,532*	*79,397,735*	*41,228,109*	*40,581,144*
(d) Leasehold improvements	125,925,713	8,336,462	2,450,449	131,811,726	110,231,922	5,984,941	2,450,423	113,766,440	18,045,286	15,693,791
	119,219,589	*9,797,479*	*3,091,355*	*125,925,713*	*107,582,676*	*5,619,517*	*2,970,271*	*110,231,922*	*15,693,791*	*11,636,913*
(e) Computers and accessories	357,294,474	41,119,953	25,671,938	372,742,489	240,635,981	56,813,830	25,547,564	271,902,247	100,840,242	116,658,493
	318,486,767	*77,846,493*	*39,038,786*	*357,294,474*	*230,104,090*	*49,391,343*	*38,859,452*	*240,635,981*	*116,658,493*	*88,382,677*
(f) Office equipments	132,174,629	8,396,727	6,866,769	133,704,587	102,471,631	11,739,820	6,824,340	107,387,111	26,317,476	29,702,998
	121,310,282	*13,975,842*	*3,111,495*	*132,174,629*	*94,082,468*	*11,491,686*	*3,102,523*	*102,471,631*	*29,702,998*	*27,227,814*
(g) Electrical and VSAT equipments	10,988,150	305,701	407,225	10,886,626	9,449,912	848,802	406,613	9,892,101	994,525	1,538,238
	10,770,264	*309,251*	*91,365*	*10,988,150*	*8,474,099*	*1,066,287*	*90,474*	*9,449,912*	*1,538,238*	*2,296,165*
(h) Vehicles	19,430,383	68,286	5,200	19,493,469	3,576,059	3,883,320	5,198	7,454,181	12,039,288	15,854,324
	9,555,872	*14,486,753*	*4,612,242*	*19,430,383*	*4,258,938*	*2,392,497*	*3,075,376*	*3,576,059*	*15,854,324*	*5,296,934*
(i) Plant and machinery	94,838,488	-	-	94,838,488	20,488,754	6,325,726	-	26,814,480	68,024,008	74,349,734
	111,576,207	*4,273,665*	*21,011,384*	*94,838,488*	*16,981,061*	*7,302,794*	*3,795,101*	*20,488,754*	*74,349,734*	*94,595,146*
Total	1,095,436,985	65,015,074	36,899,550	1,123,552,509	580,255,439	98,255,338	36,727,473	641,783,304	481,769,205	515,181,546
Previous year	*1,037,250,057*	*129,829,550*	*71,642,622*	*1,095,436,985*	*542,979,573*	*89,820,595*	*52,544,729*	*580,255,439*	*515,181,546*	*494,270,484*
B. Intangible fixed assets										
(a) Computer software	228,017,423	29,621,426	11,204,399	246,434,450	163,183,085	25,594,893	11,204,258	177,573,720	68,860,730	64,834,338
	209,544,485	*18,483,384*	*10,446*	*228,017,423*	*139,821,303*	*23,371,884*	*10,102*	*163,183,085*	*64,834,338*	*69,723,182*
Total	228,017,423	29,621,426	11,204,399	246,434,450	163,183,085	25,594,893	11,204,258	177,573,720	68,860,730	64,834,338
Previous year	*209,544,485*	*18,483,384*	*10,446*	*228,017,423*	*139,821,303*	*23,371,884*	*10,102*	*163,183,085*	*64,834,338*	*69,723,182*
Grand Total	1,323,454,408	94,636,500	48,103,949	1,369,986,959	743,438,524	123,850,231	47,931,731	819,357,024	550,629,935	580,015,884
Previous year	*1,246,794,542*	*148,312,934*	*71,653,068*	*1,323,454,408*	*682,800,876*	*113,192,479*	*52,554,831*	*743,438,524*	*580,015,884*	*563,993,666*

Note:

a) Part of the Corporate Office building is given on cancellable lease to M/s Geojit Technologies Private Limited, Geojit Investment Services Limited and Geojit Credits Private Limited, subsidiaries of the company, and Geofin Comtrade Limited and Geojit Capital Services Limited entities over which relative of key management person has control.

b) Previous year's figures are shown in italics.

Notes forming part of the standalone financial statements *(contd...)*

Note 11: **Non-current investments**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Investments (at cost)		
A. Trade		
(a) Investments in equity instruments - unquoted:		
(i) Wholly owned subsidiaries		
Geojit Investment Services Limited	16,000,000	16,000,000
4,000,000 (Previous year: 4,000,000) equity shares of ₹10/- each, fully paid-up		
Geojit Financial Management Services Private Limited	276,971,000	276,971,000
27,700,000 (Previous year: 27,700,000) equity shares of ₹10/- each, fully paid-up		
(ii) Other Subsidiaries		
Geojit Credits Private Limited	842,368,780	842,368,780
417,197,420 (Previous year: 417,197,420) equity shares of ₹2/- each, fully paid-up		
Qurum Business Group Geojit Securities LLC, Oman	18,829,725	18,829,725
127,500 (Previous year: 127,500) equity shares of Omani Riyal 1/- each, fully paid-up		
(iii) Joint Ventures		
Barjeel Geojit Securities LLC, United Arab Emirates	19,138,560	19,138,560
1,500 (Previous year: 1,500) equity shares of Arab Emirates Dirham 1,000/- each, fully paid-up		
Aloula Geojit Capital Company, Saudi Arabia	301,990,457	301,990,457
11,200,000 (Previous year: 11,200,000) equity shares of Saudi Riyals (SR) 10/- each (SR 2.50 paid-up)		
(iv) Associate		
BBK Geojit Financial Brokerage Company K.S.C.	26,550,000	26,550,000
1,500,000 (Previous year: 1,500,000) equity shares of Kuwaiti Dinar 0.10/- each, fully paid-up		
	1,501,848,522	1,501,848,522
B. Other investments		
(a) Investments in equity instruments - unquoted:		
Muvattupuzha Co-operative Super Speciality Hospital Limited	200,000	200,000
400 (Previous year: 400) 'C' class shares of ₹500/- each, fully paid-up		
Bombay Stock Exchange Limited	877	877
11,401 (Previous year: 11,401) equity shares of ₹1/- each, fully paid-up		
Cochin Stock Exchange Limited	1,000	1,000
100 (Previous year: 100) Equity Shares of ₹10/- each, fully paid-up		
	201,877	201,877
(b) Investments in government securities - quoted:		
10.71% Govt of India Securities - 2016	3,000	3,000
	3,000	3,000
	1,502,053,399	**1,502,053,399**
Less: Provision for diminution in value of investment in subsidiary companies / joint venture	1,219,339,780	1,119,339,780
	282,713,619	**382,713,619**
Aggregate cost of listed but not quoted investments	3,000	3,000
Aggregate amount of unquoted investments	1,502,050,399	1,502,050,399

Notes forming part of the standalone financial statements *(contd...)*

Note 12: **Deferred tax assets (net)**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
Deferred tax liability		
On difference between book balance and tax balance of fixed assets	5,931,000	4,633,000
Tax effect of items constituting deferred tax liability (A)	5,931,000	4,633,000
Deferred tax asset		
Provision for doubtful debts / advances /deposits	30,378,000	30,387,000
Provision for gratuity, compensated absences, and lease equalisation	7,638,000	5,624,000
Tax effect of items constituting deferred tax asset (B)	38,016,000	36,011,000
Deferred tax assets (net) (B-A)	32,085,000	31,378,000

Note 13: **Long-term loans and advances**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
Unsecured and considered good, unless stated otherwise		
(a) Advances for capital goods	4,222,892	31,522,968
(b) Security deposits		
(i) Deposits and margins given to stock exchanges / depositories / clearing corporation	830,904,229	921,272,361
(ii) Others	11,626,853	22,649,412
	842,531,082	943,921,773
(c) Prepaid expenses	634,540	744,597
(d) Advance income tax	59,380,469	64,248,418
(e) Advance for investments	16,345,285	-
	923,114,268	1,040,437,756

Note 14: **Other non-current assets**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Fixed deposits with banks in earmarked accounts	1,877,438	2,230,672
(b) Interest accrued on earmarked fixed deposits with banks	118,986	279,129
	1,996,424	2,509,801
Notes:		
Fixed Deposits with banks in earmarked accounts represent the following:		
(i) Deposits given as security margin for guarantees issued by banks in favour of Stock Exchanges	-	1,230,672
(ii) Bank Deposit receipts given as security margin to Stock Exchanges / Clearing Corporation	-	1,000,000
(iii) Deposits given as security margin for guarantees issued by banks in favour of Kerala State Electricity Board	1,877,438	-
	1,877,438	2,230,672

Notes forming part of the standalone financial statements *(contd...)*

Note 15: **Current investments**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Investments in mutual funds (at lower of cost and net asset value) - unquoted		
(i) IDFC Ultra Short Term Fund - Growth (Direct Plan) (8,647,621 Units)	200,000,000	-
(ii) UTI Treasury Advantage Fund - Institutional Plan (Direct Plan) - Growth (26,603 Units)	60,000,000	-
(iii) Axis Treasury Advantage Fund - Direct- Growth (250,804 Units)	462,068,702	-
	722,068,702	**-**
Aggregate amount of unquoted investments	722,068,702	-

Note 16: **Trade receivables**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Secured, considered good	203,077,554	170,453,970
- Doubtful	81,369,183	81,097,835
	284,446,737	251,551,805
- Less: Provision for doubtful trade receivables	81,369,183	81,097,835
	203,077,554	170,453,970
(b) Other trade receivables		
- Secured, considered good	16,391,476	15,317,675
- Unsecured, considered good	1,118,041,621	776,771,562
- Doubtful	838,832	1,138,487
	1,135,271,929	793,227,724
- Less: Provision for doubtful trade receivables	838,832	1,138,487
	1,134,433,097	792,089,237
	1,337,510,651	**962,543,207**

Notes forming part of the standalone financial statements *(contd...)*

Note 17: **Cash and cash equivalents**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Cash on hand	540,697	618,578
(b) Balances with banks		
(i) Current accounts:		
- Clients	858,603,688	458,853,166
- Others	26,639,719	45,653,020
(ii) Deposit accounts	14,037,454	-
(iii) Earmarked accounts:		
- Deposit accounts	895,482,981	891,726,600
- Arbitration deposits	233,920	653,089
- Unpaid dividend accounts	7,538,644	11,029,815
	1,803,077,103	1,408,534,268
Of the above, the balances that meet the definition of Cash and Cash Equivalents	899,821,558	505,124,764
Balance with Banks in earmarked deposit accounts include fixed deposits which have an original maturity of more than 12 months.	348,580,559	263,605,978
Balance with Banks in Earmarked Deposit Accounts include fixed deposits which are:		
(i) Maintained as security margin for guarantees issued by banks in favour of Stock Exchanges/ Clearing Corporation	518,299,191	524,299,052
(ii) Pledged with banks for availing overdraft facility. The balance outstanding in the overdraft facility as at the balance sheet date is ₹ Nil (Previous year: ₹ Nil)	353,924,550	353,924,550
(iii) Given to Stock Exchanges/Clearing Corporation as security margin	16,073,541	11,226,998
(iv) Pledged with banks for availing other Bank guarantees facility	406,521	2,276,000
(v) Deposited in banks against unsettled client balances	6,779,178	-
	895,482,981	891,726,600

Notes forming part of the standalone financial statements *(contd...)*

Note 18: **Short-term loans and advances**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Unsecured and considered good, unless stated otherwise		
(a) **Loans and advances to related parties** (Refer Note 39)	66,542,767	75,765,299
(b) **Loans and advances to clients** (Margin Funding Loans - Secured)	45,233,012	56,884,942
(c) **Security deposits**		
(i) Deposits - rent, electricity, etc.		
- Considered good	61,386,399	48,013,419
- Considered doubtful	4,057,529	4,057,529
	65,443,928	52,070,948
Less: Provision for doubtful deposits	4,057,529	4,057,529
	61,386,399	48,013,419
(d) **Loans and advances to employees**	2,317,688	1,714,600
(e) **Prepaid expenses**	18,585,076	20,373,202
(f) **Balances with government authorities** (Service tax credit receivable)	9,230,610	13,087,589
(g) **Other advances**		
- Considered good	9,030,478	6,670,482
- Considered doubtful	1,510,651	1,510,651
	10,541,129	8,181,133
Less: Provision for doubtful advances	1,510,651	1,510,651
	9,030,478	6,670,482
	212,326,030	222,509,533

Note 19: **Other current assets**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) **Accruals**		
(i) Interest accrued on fixed deposits with banks	31,707,021	34,101,379
(ii) Interest accrued on other deposits	7,767,040	-
(b) **Receivable from stock exchanges**	453,233,652	511,533,566
	492,707,713	545,634,945

Notes forming part of the standalone financial statements *(contd...)*

Note 20: **Revenue from operations**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(a) Stock broking services		
(i) Brokerage	1,850,281,358	1,683,049,329
(ii) Depository	189,048,265	137,815,619
(iii) Financial products distribution	212,085,227	147,596,228
(iv) Portfolio management services	31,756,719	36,164,281
(v) Interest income from margin funding	10,942,767	13,484,176
	2,294,114,336	2,018,109,633
(b) Other operating revenues		
(i) Overdue fees collected from clients	145,272,539	148,658,983
(ii) Miscellaneous income	4,076,129	6,212,447
	149,348,668	154,871,430
	2,443,463,004	2,172,981,063

Note 21: **Other income**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(a) Interest income		
(i) From Banks on fixed deposits	69,390,752	80,451,837
(ii) From a subsidiary company on loans given	5,982,529	7,498,650
(iii) On income tax refunds	-	10,154,135
(iv) Other interest income	57,862,731	9,585,208
(b) Dividend Income		
(i) From non-current investments		
- Joint ventures	20,461,986	25,715,755
- Others	74,265	97,230
(c) Net gain on sale of current investments - mutual funds	38,134,052	28,171,417
(d) Other non-operating income		
(i) Cost recovery for shared services	8,194,367	8,391,646
(ii) Rental income	6,603,112	8,411,444
(iii) Profit on sale of fixed assets	1,939,736	-
(iv) Bad debt recovered	302,548	3,591,247
(v) Provision for doubtful debts/deposits written back (net)	-	476,762
(vi) Liabilities no longer payable written back	4,095,154	-
(vii) Miscellaneous income	10,994,220	8,134,800
	224,035,452	190,680,131

Notes forming part of the standalone financial statements *(contd...)*

Note 22: **Operating expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Commission to business associates (equity)	296,618,969	258,022,973
Marketing fees	96,763,760	78,080,553
Marketing incentives	22,208,634	20,517,972
Commission to business associates (distribution)	35,959,859	25,692,182
Connectivity charges	59,692,331	58,584,459
Depository charges	28,851,758	22,156,508
Research expenses	7,202,625	9,293,129
Postage charges - contract note	2,000,996	2,654,137
Loss on sale of stock-in-error	4,516,721	3,894,716
Transaction charges	1,437,526	353,194
Registration and renewal charges	1,974,077	1,472,548
Miscellaneous expenses	4,784,841	7,061,090
	562,012,097	487,783,461

Note 23: **Employee benefit expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Salaries, wages and bonus	692,297,462	713,965,290
Contribution to provident and other funds	68,208,237	19,348,708
Staff welfare expenses	42,752,840	31,928,453
	803,258,539	765,242,451

Note 24: **Finance costs**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(i) Interest expense on:		
- Loan from subsidiary companies	-	1,343,428
- Temporary overdrafts availed from banks	578,266	2,031,029
- Delayed / deferred payment of income tax	804,000	-
- Margin deposit	160,537	-
(ii) Other borrowing costs:		
- Bank guarantee charges	3,767,931	3,891,685
	5,310,734	7,266,142

Notes forming part of the standalone financial statements *(contd...)*

Note 25: **Other expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Rent	126,783,085	119,104,785
Advertisement	16,421,132	39,945,389
Telephone	30,902,466	32,510,282
Postage	12,333,478	14,761,299
Power and fuel	41,923,653	43,146,864
Software charges	41,593,154	33,284,488
Repairs and maintenance:		
- Leasehold building	4,556,236	3,369,642
- Own building	1,031,584	815,951
- Plant and machinery	595,457	337,389
- Others	25,282,054	26,533,664
Printing and stationery	12,344,124	13,828,549
Travelling and conveyance	27,871,642	25,802,239
Legal and professional charges	12,132,584	16,891,730
Payments to auditors (Refer note below)	6,184,804	6,366,114
Office expenses	15,155,422	13,245,616
Provision for doubtful trade receivables and advances (net)	336,014	-
Bad debts written off	9,537	1,384,531
Business promotion	7,544,707	7,531,914
Rates & taxes	8,987,757	14,921,748
Loss on fixed assets sold / written off	-	1,423,014
Corporate social responsibility expenses (Refer note 45)	13,633,833	13,706,646
Donations and contributions	10,000	17,000
Insurance	601,272	503,716
Miscellaneous expenses	26,416,140	15,435,526
	432,650,135	444,868,096

Note:

Payments to auditors includes payments to statutory auditors towards (net of service tax, where applicable):

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Statutory audit fees	1,550,000	1,750,000
Limited review fees	525,000	450,000
Taxation matters	-	250,000
Certifications	-	62,000
Out-of-pocket expenses	26,250	64,396
	2,101,250	2,576,396

Notes forming part of the standalone financial statements *(contd...)*

26. Exceptional item represents provision made for diminution in value of non-current investment in a jointly held company, pursuant to the substantial erosion in its networth as at the balance sheet date.

27. As at 31 March 2017, the Company has received ₹812,306/- as share application money towards 31,470 equity shares of the Company (Previous year: 20,920 equity shares at ₹470,678/-) at a total premium of ₹780,836/- (Previous year: ₹449,758/-). The share application money was received pursuant to the exercise of options granted to employees under the employee stock option plans and the Company is required to complete the allotment formalities by 26 May 2017. The Company has sufficient authorised share capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Company.

28. Contingent liabilities and commitments (to the extent not provided for)

(i) Contingent liabilities:

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Claims against the company not acknowledged as debts :		
- Legal suits filed against the company / matters under arbitration	27,713,326	25,689,762
(b) Income tax demands, pending in appeal	79,194,763	74,879,969
(c) Show cause notices from service tax department for which the Company has filed replies	42,358,854	42,563,576
(d) Service tax demands, pending in appeal	7,738,565	7,614,327
(e) Demand under Employees Provident Funds & Miscellaneous Provisions Act, 1952	170,270,130	170,270,130
(f) Guarantees given by the company	1,567,892	-

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

(ii) Commitments:

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible fixed assets	10,362,847	9,292,892
- Intangible fixed assets	4,037,380	3,292,501
(b) Uncalled liability on investments partly paid:		
- Uncalled share capital in Aloula Geojit Capital Company, Saudi Arabia, a jointly controlled entity (@ Saudi Riyal 7.50/- per share on 11,200,000 shares) (Reported at the exchange rates prevailing on the respective balance sheet dates)	1,452,570,000	1,484,070,000

Notes forming part of the standalone financial statements *(contd...)*

29. Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(iii) The amount of interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

30. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Loans and advances in the nature of loans given to subsidiaries, associates and firms / companies in which directors are interested:

Name of the Party	Relationship	Amount outstanding as at 31 March 2017	Maximum balance outstanding during the year
		₹	₹
Geojit Credits Private Limited	Subsidiary Company	64,700,000	74,700,000
		(74,700,000)	(74,700,000)

Note: Figures in bracket relate to the previous year.

31. Particulars of loans given, investment made, guarantee given, or security provided, and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient under Section 186(4) of Companies Act, 2013:

Party	Relationship	Transaction	Amount (₹)	Balance outstanding on 31 March 2017 (₹)	Purpose for which recipient proposes to utilise the amount
Geojit Credits Private Limited	Subsidiary Company	Loan given	20,000,000	64,700,000	For providing loan against shares and commodities, and personal loans.

Notes forming part of the standalone financial statements *(contd...)*

32. Expenditure in foreign currency

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Foreign travel	88,118	-
Annual maintenance charges	590,054	1,288,598
Website charges	1,333,750	1,284,750
Total	**2,011,922**	**2,573,348**

Note: The above disclosure excludes expenses incurred in Indian Rupees and remitted in foreign currency.

33. Earnings in foreign exchange

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Dividend from a jointly controlled entity	20,461,986	25,715,755
Advisory fees	152,711	328,027
Total	**20,614,697**	**26,043,782**

34. The Company has deposited the dividends payable to non-resident shareholders into their Rupee account with various banks in India and hence the disclosure of amounts remitted in foreign currency during the year to non-resident shareholders on account of dividend is not applicable.

35. Employee benefit plans

(i) Defined Contribution Plans – Provident Fund and Employee State Insurance

The Company makes Provident Fund and Employee State Insurance contributions for qualifying employees. Under the plans, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised ₹19,785,272/- (Previous year: ₹11,569,566/-) towards Provident Fund contributions and ₹7,718,816/- (Previous year: ₹6,714,161/-) towards Employee State Insurance contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

(ii) Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees (included as part of 'Contribution to Provident and Other Funds' in Note No. 23 Employee Benefit Expenses), which is funded with Life Insurance Corporation of India.

The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the financial statements:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Components of employer expense:		
Current service cost	6,076,857	2,566,107
Interest cost	1,781,645	1,796,305
Expected return on plan assets	(1,354,258)	(1,364,840)
Actuarial losses/(gains)	34,118,135	(1,358,235)
Amounts contributed by group companies on transfer of its employees to the company	-	(574,019)
Total expense recognised in the statement of profit and loss	**40,622,379**	**1,065,318**

Notes forming part of the standalone financial statements *(contd...)*

(ii) Defined Benefit Plan – Gratuity *(contd...)*

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
Net asset / (liability) recognised in the balance sheet:		
Present value of defined benefit obligation	61,753,655	23,755,265
Fair value of plan assets	(17,699,329)	(19,855,340)
Funded status [surplus / (deficit)]	(44,054,326)	(3,899,925)
Net asset / (liability) recognised in the balance sheet (Refer note no. 6)	**(44,054,326)**	**(3,899,925)**

Particulars	For the year ended 31 March 2017 ₹	For the year ended 31 March 2016 ₹
Change in defined benefit obligations (DBO) during the year:		
Present value of DBO at the beginning of the year	23,755,265	22,738,033
Current service cost	6,076,857	2,566,107
Interest cost	1,781,645	1,796,305
Actuarial (gains) / losses	34,205,006	(1,317,235)
Benefits paid	(3,748,584)	(2,027,945)
Transfer out in respect of employee movement to group company	(316,534)	-
Present value of DBO at the end of the year	**61,753,655**	**23,755,265**
Change in fair value of assets during the year:		
Plan assets at the beginning of the year	19,855,340	16,757,095
Expected return on plan assets	1,354,258	1,364,840
Actual company contributions	151,444	3,146,301
Amounts contributed by group companies on transfer of its employees to the company	-	574,019
Actuarial gain / (loss)	86,871	41,030
Benefits paid	(3,748,584)	(2,027,945)
Plan assets at the end of the year *	**17,699,329**	**19,855,340**
Actual return on plan assets	1,441,129	1,405,870

* - Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Particulars	31 March 2017 ₹	31 March 2016 ₹
Actuarial assumptions:		
Discount rate	6.50%	7.50%
Expected return on plan assets	7.50%	7.90%
Salary escalation	6.00%	5.00%
Attrition rate range over different age brackets	Upto 35 years - 50% Above 35 years - 12%	Upto 35 years - 30% Above 35 years - 10%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	

Notes forming part of the standalone financial statements *(contd...)*

Experience adjustments

Gratuity	As at				
	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	₹	₹	₹	₹	₹
Present value of DBO	61,753,655	23,755,265	22,738,033	19,211,952	18,201,608
Fair value of plan assets	17,699,329	19,855,340	16,757,095	15,285,890	12,015,975
Funded status [surplus / (deficit)]	(44,054,326)	3,899,925	(5,980,938)	(3,926,062)	(6,185,633)
Exp. Adj. on plan liabilities	27,652,227	(1,825,943)	(281,987)	(703,357)	(871,399)
Exp. Adj. on plan assets	14,644	110,136	183,001	232,076	(115,291)

(iii) Actuarial assumptions for long-term compensated absences

Particulars	31 March 2017	31 March 2016
	₹	₹
Discount rate	6.50%	7.50%
Salary escalation	6.00%	5.00%
Attrition rate range over different age brackets	Upto 35 years - 50% Above 35 years - 12%	Upto 35 years - 30% Above 35 years - 10%

36. The Company's operations predominantly relate to one segment, viz., broking and financial services. The entire operations are organised and managed as one organisational unit with same set of risks and returns. Hence, same is considered as on single primary segment. Besides, the Company's operations are located only in India and hence, separate secondary geographical segment information is not disclosed.

37. Leases

(a) Operating lease as a lessee

The Company is obligated under non-cancellable operating leases for its branch office premises. Total rental expenses under such leases amounted to ₹2,825,780/- (Previous Year : ₹ Nil). Future minimum lease payments due under non-cancellable operating leases are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Not later than one year	3,063,698	-
Later than one year and not later than five years	7,734,228	-
Later than five years	-	-

The Company is also obligated under cancellable operating leases for residential and office space. Total rental expense under cancellable operating leases during the year was ₹122,589,141/- (Previous year : ₹118,111,597/-).

Notes forming part of the standalone financial statements *(contd...)*

38. Earnings Per Equity Share

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Basic:		
Net profit / (loss) for the year attributable to equity shareholders - ₹	383,153,720	355,962,565
Weighted average number of equity shares	235,168,231	233,285,736
Basic Earnings per Share - ₹	1.63	1.53
Diluted:		
Net profit / (loss) for the year attributable to equity shareholders - ₹	383,153,720	355,962,565
Weighted average number of equity shares for Basic EPS	235,168,231	233,285,736
Add: Effect of ESOPs which are dilutive	564,171	1,029,347
Weighted average number of equity shares for Diluted EPS	235,732,402	234,315,083
Diluted Earnings per Share - ₹	1.63	1.52

39. Related party disclosures

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31 March 2017	Receivable / (Payable) as on 31 March 2017	For the year ended 31 March 2016	Receivable / (Payable) as on 31 March 2016
			₹	₹	₹	₹
Subsidiary company	Geojit Credits Private Limited	Loans given	20,000,000	64,700,000	-	74,700,000
		Loans repaid	30,000,000	-	-	
		Expenses recovered	33,402	(316,534)	25,332	
		Expenses reimbursed	1,377,579		30,531	
		Cost recovery for shared services	1,216,597		418,697	
		Interest received	5,982,529		7,498,650	
Subsidiary company	Geojit Technologies Private Limited	Software services availed	23,087,673	(1,300,000)	21,487,718	(1,300,000)
		SMS services availed	2,729,104		3,230,448	
		AMC paid	3,000,000		3,753,000	
		Rent received	3,127,970		5,012,362	
		Rent deposit refunded	-		1,300,000	
		Software purchased	9,336,012		13,059,392	
		Cost recovery for shared services	3,322,110		2,799,743	
		Expenses recovered	639,277		706,459	
		Expenses reimbursed	612,321		549,335	
		Interest paid	-		1,343,428	
		Loans taken	-	-	570,000,000	-
		Loans repaid	-		820,000,000	
Subsidiary company	Geojit Financial Management Services Private Limited	No transaction	-	-	-	-

Notes forming part of the standalone financial statements *(contd...)*

39. Related party disclosures *(contd...)*

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31 March 2017	Receivable / (Payable) as on 31 March 2017	For the year ended 31 March 2016	Receivable / (Payable) as on 31 March 2016
			₹	₹	₹	₹
Subsidiary company	Geojit Financial Distribution Private Limited	No transaction	-	-	-	-
Subsidiary company	Geojit Investment Services Limited	Expenses recovered	35,229	16,345,285	47,958	-
		Cost recovery for shared services	1,202,822		1,232,084	
		Incentive reimbursed	3,170,410		2,479,221	
		Advance for Investment	16,345,285		-	
Subsidiary company	Qurum Business Group Geojit Securities LLC	Marketing fees paid	11,162,000	(3,815,000)	6,315,000	(1,885,000)
		Expenses recovered	-		-	
Jointly controlled entity	Barjeel Geojit Securities LLC	Marketing fees paid	76,040,000	(19,081,449)	66,175,000	(29,724,443)
		Expenses recovered	855,216		591,502	
		Dividend received	20,461,986		25,715,755	
Jointly controlled entity	Al-oula Geojit Capital Company	Expenses recovered	645,362	579,625	392,545	54,481
Associate entity	BBK Geojit Securities KSC	Marketing fees paid	9,080,000	(2,785,095)	5,455,000	(594,039)
		Expenses recovered	46,091		201,506	
Entity having significant interest in the company	BNP Paribas SA	Bank charges	4,137	31,070,128	4,995	7,841,284
		Rent received	120,000		120,000	
		Rent paid	464,486		2,882,575	
		Dividend paid	-		210,894,637	
Key management person - Managing Director	Mr. C. J. George	Salary and allowances *	19,703,019	(5,902,000)	16,123,620	(1,680,000)
		Dividend paid	-		119,018,999	
Relative of Key Management Person - Sons of Mr. C. J. George	Mr. Jones George	Salary and allowances	5,000	(1)	283,303	-
		Brokerage income	7,368		10,000	
		AMC Income	-		766	
		Dividend paid	-		375,000	
	Mr. Jyothis Abraham George	Brokerage income	30,900	-	3,061	-
		AMC Income	515		350	
		Dividend paid	-		305,976	
Relative of key management person - wife of Mr. C. J. George	Ms. Shiny George	Dividend paid	-	-	13,854,500	-

Notes forming part of the standalone financial statements *(contd...)*

39. Related party disclosures *(contd...)*

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31 March 2017	Receivable / (Payable) as on 31 March 2017	For the year ended 31 March 2016	Receivable / (Payable) as on 31 March 2016
			₹	₹	₹	₹
Relative of key management person - sisters of Mr. C. J. George	Susan Raju	AMC Income	115	-	-	(53)
		Dividend paid	-		8,250	
	Sally Sampath	AMC Income	1,467	-	-	(11)
		Dividend paid	-		13,750	
Entity over which relative of key management person has control	Geofin Comtrade Limited	Expenses reimbursed	2,035	(786,652)	457,274	(377,964)
		Expenses recovered	1,510,875		1,448,935	
		Warehouse Charges (Agri-Products) Recovered	834,147		1,748,863	
		Cost recovery for shared services	2,450,559		3,939,323	
		Referral fees	-		1,411,468	
		Remiser commission	-		100,474	
		Distribution commission paid	2,000		-	
		Rent deposit refunded	-		22,450	
		Rent received	3,239,448		3,099,318	
		Deposit refunded	-		20,000	
	Geofin Capital Services Limited	Rent received	52,794	(579,459)	23,764	(1,443,827)
		Rent deposit accepted	-		22,450	
		Deposit Accepted	-		1,000,000	
		Commission Paid	5,030,198		1,185,486	
		Cost recovery for shared services	2,279		-	
		Exchange penalties recovered	665,850		-	
		Expenses recovered	247,505		1,035	
Trust under the control of the Company	Geojit Foundation	Contribution towards CSR activities	13,602,930	-	2,428,040	-

* The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

Notes forming part of the standalone financial statements *(contd...)*

40. Employee Stock Option Plans:

(A) Details of options granted are as follows:

Particulars	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Date of grant	10 December 2007	29 March 2011	11 July 2012	21 May 2013	27 June 2014	4 August 2016
Date of Nomination and Remuneration Committee approval	12 October 2007	12 April 2010	12 April 2010	12 April 2010	12 April 2010	4 August 2016
Date of shareholder approval	5 December 2007	12 July 2010	12 July 2010	12 July 2010	12 July 2010	4 August 2016
Eligible employees	Senior Management	All	All	All	All	All
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. of equity shares for each option	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share
No. of options granted	2,500,000	2,786,795	2,799,885	2,799,991	2,799,999	8,079,340
Exercise price	₹25.50 (Repriced from ₹59.90 on 11 April 2009)	₹22.20	₹20.55	₹23.95	₹41.45	₹41.60
Discount granted	10% on the market price on the date prior to grant date	No discount	No discount	No discount	No discount	No discount
Vesting period	4 years (4th to 7th year)	Immediate	Immediate	Immediate	Immediate	4 years (2nd to 5th year)
Manner of vesting	In a graded manner in equal 25% proportion over 4 years commencing from the end of the 4th year from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	In a graded manner over 4 years commencing from 01 October 2017
Vesting condition	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time					
Exercise period	From vesting date to 9 December 2015	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 to 4 years from vesting date
No. of options outstanding at the beginning of the year	-	-	611,735	1,383,437	2,369,677	-
	(1,699,540)	(631,064)	(1,215,160)	(2,445,692)	(2,685,956)	(-)
Add: no. of options granted during the year	-	-	-	-	-	8,079,340
	(-)	(-)	(-)	(-)	(-)	(-)

Notes forming part of the standalone financial statements *(contd...)*

(A) Details of options granted are as follows: *(contd...)*

Particulars	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Less: No. of options forfeited on resignation / lapsed due to non-exercise during the year	-	-	31,690	71,020	229,075	688,760
	(139,603)	(232,390)	(29,960)	(79,050)	(316,279)	(-)
Less: No. of options exercised during the year	-	-	227,670	316,625	16,654	-
	(1,559,937)	(398,674)	(573,465)	(983,205)	(-)	(-)
No. of options outstanding at the end of the year	-	-	352,375	995,792	2,123,948	7,390,580
	(-)	(-)	(611,735)	(1,383,437)	(2,369,677)	(-)
No. of options vested during the year	-	-	-	-	2,316,539	-
	(-)	(-)	(-)	(2,145,819)	(-)	(-)
No. of options exercisable at year end	-	-	352,375	995,792	2,123,948	-
	(-)	(-)	(611,735)	(1,383,437)	(-)	(-)
No. of options available for grant at year end	-	-	-	-	-	1,320,660
	(-)	(-)	(-)	(-)	(-)	(-)
Weighted average remaining contractual life of options outstanding at year end	-	-	-	1 year	2 years	7 years
	(-)	(-)	(1 year)	(2 years)	(3 years)	(-)

Note: Previous year figures are given in brackets.

(B) Accounting of employee share based compensation cost:

The Company has adopted 'intrinsic value method' for accounting employee share based compensation cost. Under the intrinsic value method, the difference between market price of the share on the date prior to grant date and the exercise price is considered as intrinsic value of options and expensed on straight-line basis over the vesting period as employee share based compensation cost. The details of costs accounted under the Employee Stock Option Plans are as follows:

Plan	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
	₹	₹	₹	₹	₹	₹
Cumulative intrinsic value of the options granted net of expected forfeiture	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Expected forfeiture rate per annum	-	10%	10%	10%	10%	10%
	(4%)	(10%)	(10%)	(10%)	(10%)	-
Amount expensed during the year under intrinsic value method	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Additional charge under fair value method of accounting cost	-	-	-	-	2,510,901	19,546,075
	(-)	(-)	(-)	(337,483)	(18,635,299)	(-)

Note: Previous year figures are given in brackets.

Notes forming part of the standalone financial statements *(contd...)*

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

Plan	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Weighted average fair value per option (₹)	61.67	6.94	4.71	5.70	16.64	11.19
Market price relevant for grant (₹)	25.50	22.20	20.55	23.95	41.45	41.60
Weighted average share price as on the date of exercise during the year (₹)		26.05.16 - 37.95	26.05.16 – 37.95	26.05.16 – 37.95	03.11.16 – 40.20	NA
			04.08.16 – 42.60	04.08.16 – 42.60	23.03.17 – 48.35	
			03.11.16 – 40.20	03.11.16 – 40.20		
			27.01.17 – 38.05	27.01.17 – 38.05		
			23.03.17 – 48.35	23.03.17 – 48.35		
Expected annual volatility of shares	170%	52%	39%	42%	66%	43%
Expected dividend yield	0.60%	2.30%	4.04%	4.59%	0.46%	2.64%
Risk free interest rate	7.00%	8.00%	8.00%	8.00%	8.00%	6.5%
Expected life (In years)	4-7	2	2	2	2	1-4

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

(D) The impact on basic and diluted earnings per share for the year, had the Company followed fair value method of accounting for employee share based compensation cost is as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Profit / (loss) for the year (as reported)	383,153,720	355,962,565
Add: Expense on employee stock option plans under intrinsic value method	-	-
Less: Expense on employee stock option plans under fair value method	22,056,976	18,972,782
Profit for the year (proforma)	361,096,744	336,989,783
Basic earnings per share (as reported)	1.63	1.53
Basic earnings per share (proforma)	1.54	1.44
Diluted earnings per share (as reported)	1.63	1.52
Diluted earnings per share (proforma)	1.53	1.44

41. Details of Company's Interest In Joint Ventures

The Company has interest in the following jointly controlled entities:

Name of Jointly Controlled Entity and Country of Incorporation	% of Shareholding Interest	
	31 March 2017	31 March 2016
Barjeel Geojit Securities LLC, United Arab Emirates ('Barjeel')	30%	30%
Aloula Geojit Capital Company, Saudi Arabia ('Aloula')	28%	28%

Notes forming part of the standalone financial statements *(contd...)*

The Company has interest in the following jointly controlled entities: *(contd...)*

Particulars	Barjeel (Unaudited)		Aloula (Unaudited)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	₹	₹	₹	₹
Assets	94,664,703	101,700,584	205,383,638	229,442,593
Liabilities	21,628,892	19,859,304	12,622,281	13,216,916
Income	72,330,969	68,385,135	41,950,183	26,154,580
Expenditure	58,548,418	62,352,143	61,021,312	118,393,133
Contingent liabilities	6,572,957	6,715,361	-	-

42. The Company has contracted fund based and non-fund based (viz. bank guarantee) working capital facilities of ₹1,350,000,000/- (Previous year: ₹1,150,000,000/-) and ₹1,671,500,000/- (Previous year: ₹1,670,000,000/-) respectively from banks (previous year figure includes from banks and a public limited Company) which are secured by liens marked on fixed deposits / hypothecation of trade receivables / pledge of securities / counter guarantee of the Company. Of the above, the utilised portion outstanding in the fund based and non-fund based working capital facilities as at the balance sheet date are ₹ Nil (Previous year: ₹ Nil) and ₹765,951,000/- (Previous year: ₹765,951,000/-) respectively.

43. Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016.

Particulars	SBN'S	Other Denomination Notes	Total
	₹	₹	₹
Closing cash in hand as on 8 November 2016	**38,500**	**1,139,985**	**1,178,485**
Add: Permitted receipts	-	5,580,558	5,580,558
Less : Permitted payments	-	3,921,853	3,921,853
Less : Amounts deposited in banks	38,500	996,086	1,034,586
Closing cash in hand as on 30 December 2016	**-**	**1,802,604**	**1,802,604**

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016

44. Details of assets under the Portfolio Management Scheme are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Number of clients	586	648
Original cost of assets under management – ₹	791,990,870	921,968,316
Represented by:		
(a) Bank balance – ₹	39,278,931	24,922,103
(b) Cost of portfolio holdings – ₹	752,711,939	897,046,213
Total	791,990,870	921,968,316
Net asset value of portfolio under management – ₹	1,542,575,577	1,389,419,862

Notes forming part of the standalone financial statements *(contd...)*

45. Note on Corporate Social Responsibility expenditure under Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities issued by ICAI:

(a) Gross amount required to be spent by the Company during the year: ₹13,477,970/-.

(b) Amount spent during the year on:

Activity	Paid in Cash	Yet to be paid in Cash	Total
	₹	₹	₹
Promoting Education	3,252,260	-	3,252,260
Promoting Healthcare - Sparsh (Community Health Project)	4,478,170	-	4,478,170
Protection Gender Equality	40,000	-	40,000
Ensuring ecological balance	5,500,000	-	5,500,000
Social Inclusion	360,000	-	360,000
Administrative Expenses	3,403	-	3,403
Total	**13,633,833**	**-**	**13,633,833**

(c) Related party transactions as per Accounting Standard 18 - Related Party Disclosures: ₹13,602,930/- (Refer note 39)

46. Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's classification / disclosure.

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Independent Auditor's report on the Consolidated Financial Statements

To the Members of **Geojit Financial Services Limited**
(formerly known as Geojit BNP Paribas Financial Services Limited)

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Geojit Financial Services Limited *(formerly known as Geojit BNP Paribas Financial Services Limited)* ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as the "Group"), its associate and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("the Rules") (particularly Accounting Standard 21 – Consolidated Financial Statements and Accounting Standard 27 – Financial Reporting of Interest in Joint Ventures). The respective Board of Directors of the companies included in the Group and of its associate and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated

Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of its subsidiaries, associate and jointly controlled entities, the Consolidated 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 consolidated state of affairs of the Group, its associate and jointly controlled entities as at 31 March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 41 to the consolidated financial statements, regarding adjustment of goodwill of ₹3,499.21 lakhs against Surplus account in light of the background stated in the said note. The goodwill was relating to direct capital infusion in earlier years by Geojit Financial Services Limited and Geojit Financial Management Services Private Limited (step down subsidiary) in Geojit Credits Private Limited (subsidiary). Our opinion is not modified in respect of this matter.

Other matters

We did not audit the financial statements / financial information of five subsidiaries, whose financial statements / financial information reflect total assets of ₹18,839.40 lakhs as at 31 March 2017, total revenues of ₹3,551.62 lakhs and net cash inflows amounting to ₹417.80 lakhs for the year then ended, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.

We did not audit the financial statements / financial information of one subsidiary and two jointly controlled entities, whose financial statements / financial information reflect total assets of ₹3,145.57 lakhs as at 31 March 2017, total revenues of ₹1,367.13 lakhs and net cash outflows amounting to ₹10.91 lakhs for the year ended on that date, as considered in the consolidated financial statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹2.43 lakhs for the year ended 31 March 2017, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, jointly controlled entities and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

As required by sub-sections 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements

have been kept so far as it appears from our examination of those books and the reports of the other auditors;

(c) the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules;

(e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and on the basis of the relevant assertion contained in the audit reports on the standalone financial statements of its subsidiary companies incorporated in India, none of the Directors of the Group companies is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of Section 164(2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of subsidiaries, as noted in the 'Other Matter' paragraph:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Note 28(i) to the consolidated financial statements;

ii. the Group, its associate and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts; and

iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. the Company has provided requisite disclosures in the Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016, by the Holding Company and its subsidiary companies incorporated in India. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 29 to the consolidated financial statements. Our report, insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Annexure A to the Independent Auditor's Report on the consolidated financial statements

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Geojit Financial Services Limited *(formerly known as Geojit BNP Paribas Financial Services Limited)* ("the Holding Company") and its subsidiary companies, which are companies incorporated in India, (collectively referred to as the "Group") as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 ('ICAI'). 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 Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Group'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 and the audit evidence obtained by the other auditors in terms of the report referred to in the 'Other matter' paragraph below 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 authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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 Group 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 31 March 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

N Sampath Ganesh
Partner
Membership No: 042554

Mumbai
26 May 2017

Consolidated balance sheet as at 31 March 2017

Particulars	Note No.	As at 31 March 2017 (₹)	As at 31 March 2016 (₹)
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	235,544,665	234,898,476
(b) Reserves and surplus	4	4,884,610,774	4,665,602,217
		5,120,155,439	4,900,500,693
2. Share application money pending allotment	27	812,306	470,678
3. Minority interests		532,200,597	479,727,447
4. Capital reserve on consolidation		3,933,863	3,222,003
5. Non-current liabilities			
(a) Long-term liabilities	5	14,125,040	16,879,891
(b) Long-term provisions	6	67,379,611	26,399,923
		81,504,651	43,279,814
6. Current liabilities			
(a) Short-term borrowings	7	55,000,000	-
(b) Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		104,403,441	110,681,279
(c) Other current liabilities	9	2,268,196,450	1,523,143,071
(d) Short-term provisions	10	16,427,281	7,383,119
		2,444,027,172	1,641,207,469
TOTAL		8,182,634,028	7,068,408,104
B. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible fixed assets	11A	518,894,403	550,394,073
(ii) Intangible fixed assets	11B	84,822,374	73,320,819
(iii) Capital work-in-progress		-	3,279,833
		603,716,777	626,994,725
(b) Goodwill on consolidation	41	-	348,852,742
(c) Non-current investments	12	28,614,426	17,115,669
(d) Deferred tax assets (net)	13	33,406,500	33,860,000
(e) Long-term loans and advances	14	1,055,224,147	1,232,608,933
(f) Other non-current assets	15	2,090,488	2,596,927
		1,723,052,338	2,262,028,996
2. Current assets			
(a) Current investments	16	1,619,028,301	763,872,710
(b) Trade receivables	17	1,458,940,295	1,081,590,424
(c) Cash and cash equivalents	18	2,524,940,416	2,089,710,531
(d) Short-term loans and advances	19	361,918,122	319,889,357
(e) Other current assets	20	494,754,556	551,316,086
		6,459,581,690	4,806,379,108
TOTAL		8,182,634,028	7,068,408,104
Significant accounting policies	2		
The notes referred to above form an integral part of the consolidated financial statements			

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Consolidated statement of profit and loss for the year ended 31 March 2017

Particulars	Note No.	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
1. Revenue from operations	21	2,737,157,601	2,459,513,245
2. Other income	22	320,419,030	260,117,306
3. Total revenue (1+2)		**3,057,576,631**	**2,719,630,551**
4. Expenses:			
(a) Operating expenses	23	527,012,623	461,339,079
(b) Employee benefit expenses	24	965,040,241	926,324,515
(c) Finance costs	25	6,085,139	8,432,255
(d) Depreciation and amortisation expenses	11	141,926,247	129,474,554
(e) Other expenses	26	502,994,050	572,445,111
Total expenses		**2,143,058,300**	**2,098,015,514**
5. Profit before tax (3-4)		**914,518,331**	**621,615,037**
6. Tax expense:			
(a) Current tax		313,025,444	215,246,470
(b) (Less): MAT credit		(12,433,502)	(1,105,600)
(c) Current tax for prior years		913,372	(52,022,405)
(d) Deferred tax		453,500	17,067,100
Total tax expense		**301,958,814**	**179,185,565**
7. Profit after tax before share of profit of associates and minority interest (5-6)		**612,559,517**	**442,429,472**
8. Share of profit / (loss) in an associate		242,518	(1,239,079)
9. Profit after tax before share of profit attributable to minority interest (7+8)		**612,802,035**	**441,190,393**
10. Less: Share of profit attributable to minority interest		52,623,551	65,111,790
11. Profit for the year attributable to shareholders of the company (9-10)		**560,178,484**	**376,078,603**
12. Earnings per equity share (face value of ₹1/- each):	35		
(a) Basic		2.38	1.61
(b) Diluted		2.38	1.61
Significant accounting policies	2		
The notes referred to above form an integral part of the consolidated financial statements			

As per our report of even date attached
for **B S R & Associates LLP**
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DIN : 00003132

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Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Consolidated cash flow statement for the year ended 31 March 2017

Particulars	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**914,518,331**	**621,615,037**
Adjustments for:		
Depreciation and amortisation	141,926,247	129,474,554
(Profit) / loss on sale of fixed assets	(2,000,319)	1,423,014
Finance costs	6,085,139	8,432,255
Interest income	(116,413,729)	(128,169,981)
Dividend income	(74,265)	(97,230)
Net (gain) on sale of current investments - mutual funds	(96,416,684)	(81,384,152)
Provision for doubtful debts / deposits / advances made / (written back) (net)	(287,042)	(5,453,430)
Bad debts written off	162,781	1,394,997
Liabilities no longer payable written back	(4,095,154)	-
	(71,113,026)	(74,379,973)
Operating profit before working capital changes	843,405,305	547,235,064
Changes in working capital:		
Adjustments for (increase) / decrease in:		
Trade receivables	(377,225,610)	163,605,119
Loans and advances	55,301,523	13,990,743
Other current assets	54,167,172	(214,882,693)
	(267,756,915)	(37,286,831)
Adjustments for increase / (decrease) in:		
Trade payables	(2,182,684)	(43,618,751)
Other current liabilities	751,001,616	179,542,471
Long-term liabilities	(2,754,851)	(2,801,233)
Short-term and long-term provisions	41,675,495	7,935,676
	787,739,576	141,058,163
Cash generated from operations	1,363,387,966	651,006,396
Net income tax (paid)	(240,410,787)	(173,161,253)
Net cash flow from operating activities (A)	**1,122,977,179**	**477,845,143**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(94,876,207)	(225,121,951)
Proceeds from sale of fixed assets	2,565,425	17,678,077
Investment in mutual funds	(27,228,108,447)	(13,443,181,356)
Proceeds from disposal of mutual funds	26,469,369,540	13,793,873,367
Purchase of non-current investments	(10,725,385)	(408,948)
(Increase)/ decrease in earmarked fixed deposits with banks	(2,990,916)	(585,383,444)
(Increase)/ decrease in unpaid dividend bank accounts	3,491,171	(4,383,772)
Interest received on fixed deposits	118,968,230	132,715,129
Dividend from non-trade, long term investments	74,265	97,230
Net Cash Flow from / (used in) Investing Activities (B)	**(742,232,324)**	**(314,115,668)**

Consolidated cash flow statement for the year ended 31 March 2017

Particulars	For the year ended 31 March 2017 (₹)	For the year ended 31 March 2016 (₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (repayment of) short term borrowings	55,000,000	(45,416,000)
Finance costs paid	(6,085,139)	(8,524,966)
Proceeds from the issue of shares	14,250,041	83,944,982
Share application money received pending allotment	812,306	470,678
Dividends paid	(3,491,171)	(638,513,045)
Tax on dividend paid	-	(140,333,235)
Net cash flow from / (used in) financing activities (C)	**60,486,037**	**(748,371,586)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**441,230,892**	**(584,642,111)**
Add: Cash and cash equivalents at the beginning of the year	636,301,027	1,182,024,676
Add / (less): Foreign currency translation adjustments	(5,847,048)	38,918,462
Cash and cash equivalents at the end of the year	**1,071,684,871**	**636,301,027**
Reconciliation of cash and cash equivalents with consolidated balance sheet:		
Cash and cash equivalents as per consolidated balance sheet (Refer note no.18)	2,524,940,416	2,089,710,531
Less: Earmarked deposits with banks not considered as 'Cash and cash equivalents', as defined in AS 3 cash flow statements (Refer note no.18)	(1,453,255,545)	(1,453,409,504)
Cash and cash equivalents at the end of the year (Refer note no.18) *	**1,071,684,871**	**636,301,027**
* Comprises:		
(a) Cash on hand	719,859	716,876
(b) Balances with banks		
(i) Current accounts:		
- Clients	858,603,688	458,853,166
- Others	51,224,662	70,195,043
(ii) Deposit accounts	113,291,147	56,939,952
(c) Share in jointly controlled entities	47,845,515	49,595,990
	1,071,684,871	**636,301,027**
Significant accounting policies (refer note no. 2)		
The notes referred to above form an integral part of the consolidated financial statements		

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
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for and on behalf of the Board of Directors of
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Managing Director
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Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Notes forming part of the consolidated financial statements

1. Corporate information

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

2. Basis of consolidation and significant accounting policies

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company, its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2 Principles of consolidation

The consolidated financial statements relate to Geojit Financial Services Limited (the 'Company'), its subsidiary companies, jointly controlled entities and the Group's share of profit / loss in its associate. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements / financial information of the subsidiary companies, jointly controlled entities and associate used in the consolidation are drawn upto the same reporting date as that of the Company, i.e., 31 March 2017.

(ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered, as per AS 21 'Consolidated Financial Statements'.

(iii) The consolidated financial statements include the share of profit / loss of an associate entity which has been accounted for using 'equity method' as per AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. Accordingly, the share of profit/ loss of the associate entity (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investment.

(iv) Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a proportionate basis by considering the book values of like items of assets, liabilities, incomes and expenses to the extent of the Group's equity interest in such entity as per AS 27 'Financial Reporting of Interests in Joint Ventures'. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.

(v) The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown separately in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company / jointly controlled entity

Notes forming part of the consolidated financial statements *(contd...)*

and such amounts are not set off between different entities.

(vi) Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

(vii) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve, as the case may be.

(viii) Goodwill arising on consolidation is not amortised, but tested for impairment.

(ix) Following subsidiary companies, associate and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

Name of the Entity	Relationship	Country of Incorporation	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary as at	
				31 March 2017	31 March 2016
Geojit Investment Services Limited	Subsidiary Company	India	Geojit Financial Services Limited	100%	100%
Geojit Technologies Private Limited	Subsidiary Company	India	Geojit Investment Services Limited	65%	65%
Geojit Credits Private Limited	Subsidiary Company	India	Geojit Financial Services Limited	67.75%	67.75%
			Geojit Financial Management Services Private Limited	26.38%	26.38%
Geojit Financial Management Services Private Limited	Subsidiary Company	India	Geojit Financial Services Limited	100%	100%
Geojit Financial Distribution Private Limited	Subsidiary Company	India	Geojit Investment Services Limited	100%	100%
Qurum Business Group Geojit Securities LLC	Subsidiary Company	Oman	Geojit Financial Services Limited	51%	51%
Barjeel Geojit Securities LLC	Jointly Controlled Entity	United Arab Emirates	Geojit Financial Services Limited	30%	30%
Aloula Geojit Capital Company	Jointly Controlled Entity	Saudi Arabia	Geojit Financial Services Limited	28%	28%
BBK Geojit Securities KSC	Associate	Kuwait	Geojit Financial Services Limited	30%	30%

(x) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in

Notes forming part of the consolidated financial statements *(contd...)*

similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

2.3 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.6 Tangible and intangible fixed assets

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

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.7 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, less its estimated residual value.

Depreciation on tangible fixed assets of the Company and its India subsidiaries has been provided under the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and

Notes forming part of the consolidated financial statements *(contd...)*

maintenance support, etc.:

Class of Asset	Useful Life
Buildings	40 years
Furniture &Fixtures in leasehold premises	5 years
Electrical Equipments, V-sat Equipments and Data Centre Equipments	5 years
Vehicles	5 years

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

Computer software, an intangible asset, is amortised under straight-line method over the estimated useful life of 5 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

Depreciation on the tangible and intangible fixed assets of the Company's foreign subsidiary, jointly controlled entities and associate has been provided under the straight-line method as per the estimated useful life of such assets as follows:

Class of Asset	Useful Life
Furniture, Fixtures and Electrical Fittings	4 to 10 years
Leasehold Improvements	10 years
Office Equipments	4 to 6.67 years
Computers	3 to 8 years
Vehicles	4 years
Software	3 years

2.8 Revenue recognition

Brokerage income is recognized on the trade date of transaction upon confirmation of the transaction by the stock exchange and client. Income from depository services, penal charges and portfolio management services are recognised on the basis of agreements entered into with clients and when the right to receive the income is established. Commission income from financial products distribution is recognised on the basis of agreements entered into with principals and when the right to receive the income is established. Interest income from margin funding business is recognised on loans given to clients on time proportion basis. Software development revenue is recognised on completion of different stages of software development and acceptance by clients. Revenue from annual maintenance contracts are recognised on time proportion basis. Commission income from insurance business is recognised on completion of policy formalities in all aspects based on intimation from the principal.

2.9 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive the income is established. Cost recovery for shared services are recognised based on agreements entered into with the parties.

2.10 Foreign currency transactions and translations

Initial recognition

Company: Transactions in foreign currencies are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Net investment in non-integral foreign operations: Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Non-integral foreign operations: Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date

Notes forming part of the consolidated financial statements *(contd...)*

of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Company: Foreign currency monetary items outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items are carried at historical cost.

Net investment in non-integral foreign operations: Foreign currency monetary items of the Group's net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

Non-integral foreign operations: All assets and liabilities of non-integral foreign operations are translated at the year-end rates.

Treatment of exchange differences

Company: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Net investment in non-integral foreign operations: The exchange differences on restatement of long-term receivables / payables from / to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "foreign currency translation reserve" until disposal / recovery of the net investment, in which case the accumulated balance in "foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal / recovery is recognised.

Non-integral foreign operations: The exchange differences on translation of balances relating to non-integral foreign operations are accumulated in a "foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

Premium or discount arising on inception of forward exchange contracts, which are intended to hedge the foreign currency risk of existing assets or liabilities has been amortised as income /expense over the life of the contract and exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

2.11 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.12 Employee benefits

Employee benefits include provident fund, employee state insurance, gratuity and compensated absences.

Defined contribution plans

Contribution to provident fund and employee state insurance scheme by the entities in the Group are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

For defined benefit plan in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past

Notes forming part of the consolidated financial statements *(contd...)*

service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.13 Employee share based payments

The Company has formulated Employee Stock Option Plans (ESOP) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company and its subsidiaries to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines and the Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India, the excess, if any, of the closing market price on the day prior to the grant of the options under ESOP over the exercise price is amortised on a straight-line basis over the vesting period under the 'Intrinsic Value Method'.

2.14 Leases

Where the Group as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Group in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive

Notes forming part of the consolidated financial statements *(contd...)*

potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxes on income

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdictions where the entities are located.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

The Group offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Consolidated Statement of Profit and Loss.

2.17 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss.

2.18 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Notes forming part of the consolidated financial statements *(contd...)*

Note 3: **Share capital**

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount ₹	Number of shares	Amount ₹
(a) Authorised:				
Equity shares of ₹1/- each	250,000,000	250,000,000	250,000,000	250,000,000
	250,000,000	250,000,000	250,000,000	250,000,000
(b) Issued, subscribed and fully paid-up:				
Equity shares of ₹1/- each	235,544,665	235,544,665	234,898,476	234,898,476
	235,544,665	235,544,665	234,898,476	234,898,476

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening balance	Changes during the year (ESOP)	Closing balance
Equity shares of ₹1/- each:			
Year ended 31 March 2017			
- Number of shares	234,898,476	646,189	235,544,665
- Amount (₹)	234,898,476	646,189	235,544,665
Year ended 31 March 2016			
- Number of shares	231,383,195	3,515,281	234,898,476
- Amount (₹)	231,383,195	3,515,281	234,898,476

(ii) Rights attached to equity shares:

The Company has issued only one class of equity share having a face value of ₹1/- per share. The holder of each equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The interim and final dividends proposed by the Board of Directors are subject to the approval of the shareholders in the Annual General Meeting.

During the year, the per share interim dividend paid to equity shareholders was ₹ Nil (Previous year: ₹1/-) and final dividend recommended for distribution to equity shareholders is ₹1.25/- (Previous year: ₹ Nil).

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

(iii) Details of shareholders holding more than 5% of the equity share capital:

Class of shares / name of shareholder	As at 31 March 2017		As at 31 March 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of ₹1/- each:				
- BNP Paribas SA	76,688,959	32.56%	76,688,959	32.65%
- C. J. George	43,279,636	18.37%	43,279,636	18.42%
- Kerala State Industrial Development Corporation	20,000,000	8.49%	20,000,000	8.51%
- Rakesh Jhunjhunwala	18,037,500	7.66%	18,037,500	7.68%

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

(iv) As at 31 March 2017, 10,862,695 equity shares (Previous year: 4,364,849 equity shares) of ₹1/- each are reserved towards outstanding employee stock options granted (Refer Note 38).

Notes forming part of the consolidated financial statements *(contd...)*

Note 4: **Reserves and surplus**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Capital reserve		
Balance at the beginning and end of the year	33,345,030	33,345,030
(b) Securities premium		
Opening balance	2,397,594,450	2,317,148,308
Add: additions during the year	14,074,530	80,446,142
Closing balance	2,411,668,980	2,397,594,450
(c) Statutory reserve		
In Subsidiary		
Opening balance	24,857,964	23,980,508
Add: Transfer from surplus in consolidated statement of profit and loss	-	877,456
Closing Balance	24,857,964	24,857,964
In jointly controlled entities		
Opening balance	14,493,142	13,208,453
Add: Restatement of opening balance on account of exchange rate variation	(307,358)	1,284,689
Closing balance	14,185,784	14,493,142
	39,043,748	39,351,106
(d) General reserve		
Balance at the beginning and end of the year	400,087,054	400,087,054
(e) Foreign currency translation reserve		
In Subsidiary		
Opening balance	1,595,332	1,142,162
Add: Effects of foreign exchange rate variations during the year	(101,460)	888,568
Less: Transfer to minority interest	-	(435,398)
Closing balance	1,493,872	1,595,332
In jointly controlled entities		
Opening balance	189,818,090	153,392,645
Add: Effects of foreign exchange rate variations during the year	(5,103,431)	36,425,445
Closing balance	184,714,659	189,818,090
	186,208,531	191,413,422
(f) Surplus in statement of profit and loss		
Opening balance	1,603,811,155	1,509,747,687
Add: Profit for the year	560,178,484	376,078,603
Add: Transfer to statutory reserve	-	(877,456)
(Less): Interim dividend paid to equity shareholders @ ₹ Nil per share (Previous year: ₹1/- per share)	-	(234,898,476)
(Less): Corporate dividend tax	-	(48,446,360)
Add: Corporate dividend tax reversal in a subsidiary	-	17,558,468
(Less): Dividend on Equity Shares allotted under ESOPs	-	(3,077,750)
(Less): Reversal of Goodwill on consolidation of subsidiary (Refer note 41)	(349,920,919)	-
Restatement of opening balances on account of exchange rate variation	188,711	(12,273,561)
Closing balance	1,814,257,431	1,603,811,155
Total	4,884,610,774	4,665,602,217

Notes forming part of the consolidated financial statements *(contd...)*

Note 5: **Long-term liabilities**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Security deposits		
(i) From business associates	9,872,633	11,287,838
(ii) Rent deposits	1,400,000	1,400,000
(b) Other long-term liabilities		
(i) Lease equalisation liability	2,852,407	4,192,053
	14,125,040	16,879,891

Note 6: **Long-term provisions**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Provision for employee benefits		
(i) Gratuity	47,920,404	5,546,840
(ii) Compensated absences	6,869,072	8,109,651
(b) Share in jointly controlled entities	12,590,135	12,743,432
	67,379,611	26,399,923

Note 7: **Short-term borrowings**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Loans repayable on demand		
(i) From Related parties (Unsecured)		
- CJG Holdings India Private Limited	55,000,000	-
	55,000,000	-

Note 8: **Trade payables**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(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	86,906,292	95,283,643
(b) Share in jointly controlled entities	17,497,149	15,397,636
	104,403,441	110,681,279

Notes forming part of the consolidated financial statements *(contd...)*

Note 9: **Other current liabilities**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Unclaimed dividends	7,538,644	11,029,815
(b) Client balances	2,090,689,829	1,377,869,200
(c) Security deposits accepted from business associates	2,262,598	1,137,393
(d) Other payables		
(i) Statutory dues payable	24,178,303	20,234,219
(ii) Dues to creditors for capital goods	10,555,915	13,012,981
(iii) Stock exchange balances	48,311,528	9,704,234
(iv) Employee welfare fund	479,667	3,221,260
(v) Advance from customers	795,432	3,723,752
(vi) Unearned income	1,390,326	-
(vii) Accrued salaries and benefits	52,804,847	54,394,419
(viii) Accrued expenses and dues to other creditors	27,264,150	28,559,511
(ix) Lease equalisation liability	1,925,211	256,287
	2,268,196,450	1,523,143,071

Note 10: **Short-term provisions**

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Provision for employee benefits		
(i) Compensated absences	4,336,387	2,564,467
(b) Other provisions		
(i) Provision for income tax	8,369,985	21,630
(ii) Contingent provision against standard assets (Refer note 39)	319,300	198,348
	8,689,285	219,978
(c) Share in jointly controlled entities	3,401,609	4,598,674
	16,427,281	7,383,119

Note 11: **Fixed assets**

Particulars	Gross block					Accumulated depreciation and amortisation					Net block	
	As at 1 April 2016	Additions	Disposals	Effect of foreign currency exchange differences	As at 31 March 2017	As at 1 April 2016	For the year	Disposals	Effect of foreign currency exchange differences	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
	₹	₹	₹		₹	₹	₹	₹		₹	₹	₹
A. Tangible fixed assets												
(a) Land - freehold	68,424,536	-	-	-	68,424,536	-	-	-	-	-	68,424,536	68,424,536
	68,424,536		-		*68,424,536*	-	-	-	-	-	*68,424,536*	*68,424,536*
(b) Buildings (Refer note (a) below)	165,734,768	-	-	-	165,734,768	14,003,445	4,143,372	-	-	18,146,817	147,587,951	151,731,323
	165,689,895	*44,873*	-		*165,734,768*	*9,860,740*	*4,142,705*	-	-	*14,003,445*	*151,731,323*	*155,829,155*
(c) Furniture and fixtures	130,926,167	6,787,945	4,821,612	(456)	132,892,044	84,579,127	10,041,622	4,424,093	(381)	90,196,275	42,695,769	46,347,040
	121,638,795	*9,972,032*	*685,995*	*1,335*	*130,926,167*	*75,070,093*	*10,159,941*	*651,532*	*625*	*84,579,127*	*46,347,040*	*46,568,702*
(d) Leasehold improvements	129,356,962	15,017,400	2,450,449	-	141,923,913	111,120,701	7,113,716	2,450,423	-	115,783,994	26,139,919	18,236,261
	122,650,838	*9,797,479*	*3,091,355*	-	*129,356,962*	*107,785,205*	*6,305,767*	*2,970,271*	-	*111,120,701*	*18,236,261*	*14,865,633*
(e) Computers and accessories	390,098,138	43,587,272	26,985,052	(3,919)	406,696,439	267,990,027	60,297,869	26,860,678	(2,137)	301,425,081	105,271,358	122,108,111
	351,292,206	*78,285,711*	*39,490,545*	*10,766*	*390,098,138*	*254,481,342*	*52,814,678*	*39,311,211*	*5,218*	*267,990,027*	*122,108,111*	*96,810,864*
(f) Office equipments	140,172,339	10,932,082	7,623,986	(456)	143,479,979	107,147,632	12,888,560	7,581,554	(261)	112,454,377	31,025,602	33,024,707
	128,685,738	*14,634,262*	*3,148,995*	*1,334*	*140,172,339*	*97,709,794*	*12,574,414*	*3,137,169*	*593*	*107,147,632*	*33,024,707*	*30,975,944*
(g) Electrical and VSAT equipments	13,832,855	305,701	407,225	-	13,731,331	12,294,614	848,802	406,613	-	12,736,803	994,528	1,538,241
	13,614,969	*309,251*	*91,365*	-	*13,832,855*	*11,318,801*	*1,066,287*	*90,474*	-	*12,294,614*	*1,538,241*	*2,296,168*
(h) Vehicles	25,529,936	68,286	5,200	(23,709)	25,569,313	5,304,541	4,998,603	5,198	(12,386)	10,285,560	15,283,753	20,225,395
	12,156,004	*17,916,754*	*4,612,242*	*69,420*	*25,529,936*	*5,491,393*	*2,862,027*	*3,075,376*	*26,497*	*5,304,541*	*20,225,395*	*6,664,611*
(i) Plant and machinery	94,838,488	-	-	-	94,838,488	20,488,754	6,325,726	-	-	26,814,480	68,024,008	74,349,734
	111,576,207	*4,273,665*	*21,011,384*	-	*94,838,488*	*16,981,061*	*7,302,794*	*3,795,101*	-	*20,488,754*	*74,349,734*	*94,595,146*
(j) Share in jointly controlled entities	54,666,590	2,500,665	3,084,329	(1,159,766)	52,923,160	40,257,865	3,156,848	3,084,329	(854,203)	39,476,181	13,446,979	14,408,725
	42,841,410	*12,674,399*	*4,836,171*	*3,986,952*	*54,666,590*	*39,066,721*	*2,401,200*	*4,836,171*	*3,626,115*	*40,257,865*	*14,408,725*	*3,774,689*
Total	**1,213,580,779**	**79,199,351**	**45,377,853**	**(1,188,306)**	**1,246,213,971**	**663,186,706**	**109,815,118**	**44,812,888**	**(869,368)**	**727,319,568**	**518,894,403**	**550,394,073**
Previous year	***1,138,570,598***	***147,908,426***	***76,968,052***	***4,069,807***	***1,213,580,779***	***617,765,150***	***99,629,813***	***57,867,305***	***3,659,048***	***663,186,706***	***550,394,073***	***520,805,448***
B. Intangible fixed assets												
(a) Computer software	229,806,101	43,404,112	11,204,399	810,712	262,816,526	165,691,351	26,633,667	11,204,258	810,712	181,931,472	80,885,054	64,114,750
	211,333,164	*18,483,383*	*10,446*	-	*229,806,101*	*142,305,178*	*23,396,275*	*10,102*	-	*165,691,351*	*64,114,750*	*69,027,986*
(b) Licence fees	27,821,274	-	-	(589,680)	27,231,594	19,474,889	5,446,326	-	(412,787)	24,508,428	2,723,166	8,346,385
	26,094,670	-	-	*1,726,604*	*27,821,274*	*12,788,405*	*5,840,304*	-	*846,180*	*19,474,889*	*8,346,385*	*13,306,265*
(c) Share in jointly controlled entities	25,135,783	752,586	-	(533,513)	25,354,856	24,276,099	379,885	-	(515,282)	24,140,702	1,214,154	859,684
	23,070,275	*6,678*	-	*2,058,830*	*25,135,783*	*21,728,816*	*608,162*	-	*1,939,121*	*24,276,099*	*859,684*	*1,341,459*
Total	**282,763,158**	**44,156,698**	**11,204,399**	**(312,481)**	**315,402,976**	**209,442,339**	**32,459,878**	**11,204,258**	**(117,357)**	**230,580,602**	**84,822,374**	**73,320,819**
Previous year	***260,498,109***	***18,490,061***	***10,446***	***3,785,434***	***282,763,158***	***176,822,399***	***29,844,741***	***10,102***	***2,785,301***	***209,442,339***	***73,320,819***	***83,675,710***
Grand Total	**1,496,343,937**	**123,356,049**	**56,582,252**	**(1,500,787)**	**1,561,616,947**	**872,629,045**	**142,274,996**	**56,017,146**	**(986,725)**	**957,900,170**	**603,716,777**	**623,714,892**
Previous year	***1,399,068,707***	***166,398,487***	***76,978,498***	***7,855,241***	***1,496,343,937***	***794,587,549***	***129,474,554***	***57,877,407***	***6,444,349***	***872,629,045***	***623,714,892***	***604,481,158***
Total depreciation for the year before adjustment							142,274,996					
Less: Depreciation on assets used by Geojit Technologies Private Limited for development of intangible fixed assets							(348,749)					
Total depreciation for the year							141,926,247					

Note:

(a) The cost of the parts of the Corporate Office building is given on cancellable lease to M/s Geojit Technologies Private Limited, Geojit Investment Services Limited and Geojit Credits Private Limited, subsidiaries of the company, and Geofin Comtrade Limited and Geofin Capital Services Limited, entities over which relative of key management person has control, cannot be determined separately.

(b) Previous year's figures are shown in italics.

Notes forming part of the consolidated financial statements *(contd...)*

Note 12: **Non-current investments**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Investments (at cost, unless stated otherwise)		
A. Trade		
(a) Investments in equity instruments - unquoted:		
BBK Geojit Financial Brokerage Company K.S.C. 1,500,000 (Previous year: 1,500,000) equity shares of Kuwaiti Dinar 0.10/- each, fully paid-up	12,617,742	11,844,370
	12,617,742	11,844,370
B. Other investments		
(a) Investments in equity instruments - unquoted:		
Muvattupuzha Co-operative Super Speciality Hospital Limited 400 (Previous year: 400) 'C' class shares of ₹500/- each, fully paid-up	200,000	200,000
Bombay Stock Exchange Limited 11,401 (Previous year: 11,401) equity shares of ₹1/- each, fully paid-up	877	877
Cochin Stock Exchange Limited 100 (Previous year: 100) Equity Shares of ₹10/- each, fully paid-up	1,000	1,000
First Commodity Exchange of India Limited 5 (Previous year: 5) Equity Shares of ₹10,000/- each, fully paid-up	75,000	75,000
	276,877	276,877
(b) Investments in government securities - quoted:		
10.71% Govt of India Securities - 2016	3,000	3,000
	3,000	3,000
Share in jointly controlled entities	15,716,807	4,991,422
	28,614,426	**17,115,669**
Aggregate cost of listed but not quoted investments	3,000	3,000
Aggregate amount of unquoted investments	28,611,426	17,112,669

Note: Investment in associate (stated under 'Equity method')

Name of associate	Country of incorporation	Ownership interest	Original cost	Carrying amount
		%	₹	₹
BBK Geojit Financial Brokerage Company K.S.C.	Kuwait	30	26,550,000	12,617,742
Previous year		*30*	*26,550,000*	*11,844,370*

Note 13: **Deferred tax assets (net)**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	5,931,000	4,633,000
	5,931,000	4,633,000
Tax effect of items constituting deferred tax asset		
On difference between book balance and tax balance of fixed assets	48,700	711,300
Provision for doubtful debts / advances	31,494,500	31,756,000
Provision for gratuity, compensated absences, and lease equalisation	7,794,300	6,025,700
	39,337,500	38,493,000
Deferred tax assets (net)	33,406,500	33,860,000

Notes forming part of the consolidated financial statements *(contd...)*

Note 14: **Long-term loans and advances**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Unsecured and considered good, unless stated otherwise		
(a) Advances for capital goods	4,222,892	31,531,218
(b) Security deposits		
(i) Deposits and margins given to stock exchanges / depositories / clearing corporation	830,904,229	921,272,361
(ii) Others		
Considered good	17,823,793	25,838,259
Considered doubtful	194,217	194,217
	848,922,239	947,304,837
Less: Provision for doubtful deposits	194,217	194,217
	848,728,022	947,110,620
(c) Advances recoverable in cash or kind or for value to be received	197,457	192,137
(d) Prepaid expenses	1,546,940	1,617,295
(e) Balances with government authorities	41,376	41,376
(f) Advance income tax	161,075,120	213,821,292
(g) Share in jointly controlled entities	39,412,340	38,294,995
	1,055,224,147	1,232,608,933

Note 15: **Other non-current assets**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Fixed deposits with banks in earmarked accounts	1,971,502	2,317,798
(b) Interest accrued on earmarked fixed deposits with banks	118,986	279,129
	2,090,488	2,596,927
Notes:		
Fixed Deposits with banks in earmarked accounts represent the following:		
(i) Deposits given as security margin for guarantees issued by banks in favour of Stock Exchanges	-	1,230,672
(ii) Bank Deposit receipts given as security margin to Stock Exchanges / Clearing Corporation	-	1,000,000
(iii) Deposits given as security margin for guarantees issued by banks in favour of Kerala State Electricity Board	1,877,438	-
(iv) Fixed deposits under lien in favour of Department of Commercial Taxes (KVAT)	94,064	87,126
	1,971,502	2,317,798

Notes forming part of the consolidated financial statements *(contd...)*

Note 16: **Current Investments** (At lower of cost and fair value / net asset value)

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Investment in mutual funds - unquoted	1,592,847,460	711,728,691
(b) Share in jointly controlled entities	26,180,841	52,144,019
	1,619,028,301	763,872,710
Aggregate amount of unquoted investments	1,619,028,301	763,872,710

Note 17: **Trade receivables**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Secured, considered good	203,077,554	170,453,970
- Unsecured, considered good	7,528,191	8,308,540
- Doubtful	85,528,269	85,527,650
	296,134,014	264,290,160
- Less: Provision for doubtful trade receivables	85,528,269	85,527,650
	210,605,745	178,762,510
(b) Other trade receivables		
- Secured, considered good	18,233,096	17,213,614
- Unsecured, considered good	1,149,207,531	813,872,643
- Doubtful	838,832	1,138,487
	1,168,279,459	832,224,744
- Less: Provision for doubtful trade receivables	838,832	1,138,487
	1,167,440,627	831,086,257
(c) Share in jointly controlled entities	80,893,923	71,741,657
	1,458,940,295	1,081,590,424

Notes forming part of the consolidated financial statements *(contd...)*

Note 18: **Cash and cash equivalents**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Cash on hand	719,859	716,876
(b) Balances with banks		
(i) Current accounts:		
- Clients	858,603,688	458,853,166
- Others	51,224,662	70,195,043
(ii) Deposit accounts	113,291,147	56,939,952
(iii) Earmarked accounts:		
- Deposit accounts	1,445,482,981	1,441,726,600
- Arbitration deposits	233,920	653,089
- Unpaid dividend accounts	7,538,644	11,029,815
(c) Share in jointly controlled entities	47,845,515	49,595,990
	2,524,940,416	**2,089,710,531**
Of the above, the balances that meet the definition of Cash and Cash Equivalents	1,071,684,871	636,301,027
Balance with Banks in earmarked deposit accounts include fixed deposits which have an original maturity of more than 12 months.	348,580,559	263,605,978
Balance with Banks in Earmarked Deposit Accounts include fixed deposits which are:		
(i) Maintained as security margin for guarantees issued by banks in favour of Stock Exchanges/ Clearing Corporation	518,299,191	524,299,052
(ii) Given to Stock Exchanges/Clearing Corporation as security margin	16,073,541	11,226,998
(iii) Pledged with banks for availing overdraft facility. The balance outstanding in the overdraft facility as at the balance sheet date is ₹ Nil (Previous year: ₹ Nil)	903,924,550	903,924,550
(iv) Pledged with banks for availing other Bank guarantees facility	406,521	2,276,000
(v) Deposited in banks against unsettled client balances	6,779,178	-
	1,445,482,981	**1,441,726,600**

Notes forming part of the consolidated financial statements *(contd...)*

Note 19: **Short-term loans and advances**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Unsecured and Considered Good, unless stated otherwise		
(a) Loans and advances to related parties	1,830,799	1,868,076
(b) Loans and advances to clients		
(i) Loan against shares & commodities:		
- Secured, considered good	168,565,672	131,438,438
- Considered doubtful	1,274,719,222	1,274,735,535
	1,443,284,894	1,406,173,973
Less: Provision for non-performing assets (Refer Note. 39)	1,274,719,222	1,274,735,535
	168,565,672	131,438,438
(c) Security deposits		
(i) Deposits - rent, electricity, etc.		
- Considered good	61,386,399	48,013,419
- Considered doubtful	4,057,529	4,057,529
	65,443,928	52,070,948
Less: Provision for doubtful deposits	4,057,529	4,057,529
	61,386,399	48,013,419
(d) Loans and advances to employees	5,009,328	4,888,643
(e) Prepaid expenses	20,618,675	23,389,382
(f) Balances with government authorities (Service tax credit receivable)	9,429,140	13,312,720
(g) Other advances		
- Considered good	9,257,469	6,789,326
- Considered doubtful	1,510,651	1,510,651
	10,768,120	8,299,977
Less: Provision for doubtful advances	1,510,651	1,510,651
	9,257,469	6,789,326
(h) Advance income tax	16,207,291	-
(i) Share in jointly controlled entities	69,613,349	90,189,353
	361,918,122	319,889,357

Note 20: **Other current assets**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Unbilled revenue	2,046,843	5,681,141
(b) Accruals		
(i) Interest accrued on fixed deposits with banks	31,707,021	34,101,379
(ii) Interest accrued on other deposits	7,767,040	-
(c) Receivable from stock exchanges	453,233,652	511,533,566
	494,754,556	551,316,086

Notes forming part of the consolidated financial statements *(contd...)*

Note 21: **Revenue from operations**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(a) Sale of Services		
(i) Stock Broking Services	1,850,281,358	1,683,049,329
(ii) Depository	189,052,674	137,821,790
(iii) Financial Products Distribution	226,906,616	163,388,782
(iv) Portfolio management services	31,756,719	36,164,281
(v) Software consultancy and development services	196,445,849	187,111,026
(vi) Interest income from margin funding	21,300,585	25,821,916
	2,515,743,801	2,233,357,124
(b) Other operating revenues		
(i) Overdue fees collected from clients	145,272,539	148,658,983
(ii) Miscellaneous income	5,192,487	6,937,816
	150,465,026	155,596,799
(c) Share in jointly controlled entities	70,948,774	70,559,322
	2,737,157,601	2,459,513,245

Note 22: **Other income**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(a) Interest income		
(i) From Banks on fixed deposits	116,413,729	128,169,981
(ii) On income tax refunds	5,444,386	10,256,751
(iii) Other interest income	57,862,731	9,585,208
(b) Dividend Income		
(i) From non-current investments (non-trade)	74,265	97,230
(c) Net gain on sale of current investments - mutual funds	96,416,684	81,384,152
(d) Foreign currency fluctuation gains (net)	-	1,823,928
(e) Other non-operating revenues		
(i) Cost recovery for shared services	2,452,832	3,941,122
(ii) Liabilities no longer payable written back	4,095,154	-
(iii) Rental income	3,475,142	3,399,082
(iv) Profit on sale of fixed assets	2,000,319	-
(v) Bad debt recovered	302,548	3,591,247
(vi) Provision for doubtful debts/deposits/advances written back (net)	287,042	5,453,430
(vii) Miscellaneous income	11,073,820	8,287,281
(f) Share in jointly controlled entities	20,520,378	4,127,894
	320,419,030	260,117,306

Notes forming part of the consolidated financial statements *(contd...)*

Note 23: **Operating expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Commission to business associates (equity)	296,618,969	258,022,973
Marketing fees	62,789,760	51,913,053
Marketing incentives	22,208,634	20,517,972
Commission to business associates (distribution)	36,084,081	25,839,940
Connectivity charges	59,755,091	58,670,102
Depository charges	28,851,758	22,156,508
Research expenses	7,202,625	9,293,129
Postage charges - contract note	2,000,996	2,654,137
Loss on sale of stock-in-error	4,516,743	3,896,435
Transaction charges	1,437,526	353,194
Registration and renewal charges	1,974,077	1,472,548
Miscellaneous expenses	2,055,737	3,830,642
Share in jointly controlled entities	1,516,626	2,718,446
	527,012,623	461,339,079

Note 24: **Employee benefit expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Salaries, wages and bonus	779,915,037	801,676,663
Contribution to provident and other funds	72,805,094	14,412,335
Staff welfare expenses	45,849,581	41,258,795
Share in jointly controlled entities	66,470,529	68,976,722
	965,040,241	926,324,515

Note 25: **Finance costs**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Interest expense on:		
- Overdrafts availed from banks	776,405	2,160,010
- Delayed / deferred payment of income tax	804,000	-
- Margin deposit	690,194	-
Other borrowing costs:		
- Bank guarantee charges	3,767,931	3,901,690
Share in jointly controlled entities	46,609	2,370,555
	6,085,139	8,432,255

Notes forming part of the consolidated financial statements *(contd...)*

Note 26: **Other expenses**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Rent	135,805,202	126,684,432
Advertisement	16,896,809	39,994,652
Telephone	40,553,667	40,352,140
Postage	12,660,077	15,103,083
Power and fuel	43,641,804	44,360,448
Software charges	16,380,401	9,108,757
Repairs and maintenance:		
- Leasehold building	4,556,236	3,369,642
- Own building	1,031,584	815,951
- Plant and machinery	595,457	337,389
- Others	26,117,837	28,378,255
Printing and stationery	12,969,265	13,912,713
Travelling and conveyance	35,063,207	35,318,837
Legal and professional charges	18,089,115	23,887,423
Payments to auditors (Refer note below)	7,796,326	7,853,281
Office expenses	15,389,033	13,545,602
Provision For doubtful trade receivables, deposits, loans & advances (net)	336,014	-
Bad debts written off	162,781	1,394,997
Business promotion	8,230,694	7,915,541
Rates & taxes	10,220,618	16,262,857
Loss on fixed assets sold / written off	-	1,423,014
Corporate social responsibility expenses (Refer note 43)	17,056,483	16,665,647
Donations and contributions	10,000	17,000
Provision for warranty	120,952	-
Insurance	1,496,769	1,565,230
Empanelment fees	1,006,750	1,050,000
Miscellaneous expenses	28,807,736	19,458,029
Share in jointly controlled entities	47,999,233	103,670,191
	502,994,050	572,445,111

Note:

Payments to auditors includes payments to statutory auditors towards (net of service tax, where applicable):

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Payments to Statutory Auditors towards:		
- Statutory Audit Fees	1,550,000	2,565,097
- Limited Review Fees	525,000	663,375
- Taxation Matters	-	683,537
- Certifications	-	62,000
- Others	-	25,158
- Out-of-Pocket Expenses	26,250	64,396
	2,101,250	4,063,563

Notes forming part of the consolidated financial statements *(contd...)*

27. As at 31 March 2017, the Company has received ₹812,306/- as share application money towards 31,470 equity shares of the Company (Previous year: 20,920 equity shares at ₹470,678/-) at a total premium of ₹780,836/- (Previous year: ₹449,758/-). The share application money was received pursuant to the exercise of options granted to employees under the employee stock option plans and the Company is required to complete the allotment formalities by 26 May 2017. The Company has sufficient authorised share capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Company.

28. **Contingent liabilities and commitments (to the extent not provided for)**

(i) Contingent liabilities:

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Claims against the company not acknowledged as debts :		
- Legal suits filed against the company / matters under arbitration	27,913,326	25,889,762
(b) Income tax demands, pending in appeal *	140,324,657	136,009,863
(c) Show cause notices from service tax department for which the Company has filed replies	42,358,854	42,563,576
(d) Service tax demands, pending in appeal	16,726,284	15,538,927
(e) Demand under Employees' Provident Funds & Miscellaneous Provisions Act, 1952	185,236,599	185,236,999
(f) Guarantees given by the company	1,567,892	-
(g) Share of group in the contingent liabilities of jointly controlled entity (Refer Note No.36)	6,572,957	6,715,361

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

* In respect to a subsidiary company [Geojit Investment Services Limited (GISL)] an amount of ₹400,000,000/- received in a prior year by way of compensation for discontinuing the business of commodities trading from BNP Paribas, the income tax authorities had raised a demand of ₹182,549,673/- including interest, by assessing the said sum as business income. Based on the legal advice obtained, GISL had while claiming the amount as not liable to tax, as a matter of prudence, provided a sum of ₹122,677,628/- by treating the amount received as capital gains. During the current year, the Commissioner of Income Tax (Appeals) had confirmed the assessment. GISL has now been legally advised that the order of Commissioner of Income Tax (Appeals) is not sustainable. Hence, no further provision is made for the additional demand of ₹59,872,045/- not considered liable at this stage. However as a matter of abundant caution GISL has remitted the demand in full and is carried under the head Income tax advance, net of provision made as above, disclosed under the head Long-term loans and advances.

(ii) Commitments:

Particulars	As at 31 March 2017 ₹	As at 31 March 2016 ₹
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible fixed assets	10,362,847	9,292,892
- Intangible fixed assets	4,037,380	3,292,501
(b) Uncalled liability on investments partly paid:		
- Uncalled share capital in Aloula Geojit Capital Company, Saudi Arabia, a jointly controlled entity (@ Saudi Riyal 7.50/- per share on 11,200,000 shares) (Reported at the exchange rates prevailing on the respective balance sheet dates)	1,452,570,000	1,484,070,000

Notes forming part of the consolidated financial statements *(contd...)*

29. Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 for all companies incorporated in India.

Particulars	SBN'S	Other Denomination Notes	Total
	₹	₹	₹
Closing cash in hand as on 8 November 2016	**61,500**	**1,141,848**	**1,203,348**
Add: Permitted receipts	-	5,680,558	5,680,558
Less : Permitted payments	-	3,999,394	3,999,394
Less : Amounts deposited in banks	61,500	996,086	1,057,586
Closing cash in hand as on 30 December 2016	**-**	**1,826,926**	**1,826,926**

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016

30. The financial risks arising to the group include foreign exchange risk. As a part of group's risk management policy, the exchange risks arising from foreign currency fluctuations are hedged by forward contracts designated as cash flow hedges. The fair value of derivative contracts is determined based on the mark to market price i.e. the price that would be paid/received to transfer a liability/asset as at the reporting date.

Exposures in foreign currency:

Assets	Foreign Currency	As at 31 March 2017		As at 31 March 2016	
		Amount in Foreign currency	Amount ₹	Amount in Foreign currency	Amount ₹
Receivables (trade & other)	US Dollars	136,390	8,843,337	159,946	10,609,649
Unhedged receivable		136,390	8,843,337	159,946	10,609,649
Receivables (trade & other) (A)	Euro	284,440	19,696,787	353,968	26,581,416
Hedges by derivative contracts (B)		270,400	18,724,551	-	-
Unhedged receivable (C=A-B)		14,040	972,236	353,968	26,581,416
Receivables (trade & other)	Singapore Dollars	23,189	1,076,702	11,104	547,026
Unhedged receivable (C=A-B)		23,189	1,076,702	11,104	547,026
Receivables (trade & other)	AED	103,582	1,828,740	59,362	1,070,744
Unhedged receivable		103,582	1,828,740	59,362	1,070,744

31. The Company has deposited the dividends payable to non-resident shareholders into their Rupee account with various banks in India and hence the disclosure of amounts remitted in foreign currency during the year to non-resident shareholders on account of dividend is not applicable.

32. **Employee benefit plans**

(i) Defined Contribution Plans – Provident Fund and Employee State Insurance

The Group makes Provident Fund and Employee State Insurance contributions for qualifying employees. Under the plans, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group has recognised ₹21,931,129/- (Previous year: ₹12,658,011/-) towards Provident Fund contributions and ₹7,820,215/- (Previous year: ₹6,861,911/-) towards Employee State Insurance contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

Notes forming part of the consolidated financial statements *(contd...)*

(ii) Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees (included as part of 'Contribution to Provident and Other Funds' in Note No. 24 Employee Benefit Expenses), which is funded with Life Insurance Corporation of India.

The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the consolidated financial statements:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Components of Employer Expense:		
Current service cost	6,714,142	2,762,220
Interest cost	1,986,216	2,015,654
Expected return on plan assets	(1,488,095)	(1,529,505)
Effect of limit in paragraph 59 (b) of AS 15	(241,535)	201,526
Actuarial losses/(gains)	36,306,901	(158,817)
Amounts contributed by group companies on transfer of its employees to the company	-	(574,019)
Total expense recognised in the statement of profit and loss	**43,277,629**	**2,717,059**

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Net asset / (liability) recognised in the consolidated balance sheet:		
Present value of defined benefit obligation	67,180,194	26,163,377
Fair value of plan assets	(19,457,247)	(21,796,563)
Funded status [surplus / (deficit)]	(47,722,947)	(4,366,814)
Amount not recognised as an asset (limit in paragraph 59 (b) of AS 15)	-	(241,535)
Net asset / (liability) recognised in the consolidated balance sheet	**(47,722,947)**	**(4,608,349)**
Provision for gratuity in note no.6	(47,920,404)	(4,800,486)
Advances recoverable in cash or kind or for value to be received in note no. 14	197,457	192,137
Total	**(47,722,947)**	**(4,608,349)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Change in defined benefit obligations (DBO) during the year:		
Present value of DBO at the beginning of the year	26,163,377	25,514,603
Current service cost	6,714,142	2,762,220
Interest cost	1,986,216	2,015,654
Actuarial (gains) / losses	36,406,736	(139,039)
Benefits paid	(4,090,277)	(3,990,061)
Present value of DBO at the end of the year	**67,180,194**	**26,163,377**
Change in fair value of assets during the year:		
Plan assets at the beginning of the year	21,796,563	19,149,631
Expected return on plan assets	1,488,095	1,529,505
Actual group contributions	163,031	4,513,661
Amounts contributed by group companies on transfer of its employees to the company	-	574,019
Actuarial gain / (loss)	99,835	19,808
Benefits paid	(4,090,277)	(3,990,061)
Plan assets at the end of the year *	**19,457,247**	**21,796,563**
Actual return on plan assets	1,587,930	1,405,870

* - Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

Notes forming part of the consolidated financial statements *(contd...)*

(ii) Defined Benefit Plan – Gratuity *(contd...)*

Particulars	31 March 2017	31 March 2016
	₹	₹
Actuarial assumptions:		
Discount rate	6.50% - 7.10%	7.50% - 7.60%
Expected return on plan assets	7.50% - 7.60%	7.90%
Salary escalation	5.00% - 6.00%	5.00%
Attrition rate range over different age brackets	Upto 35 years - 50% (GTPL - 20%) Above 35 years - 12% (GTPL - 5%)	Upto 35 years - 30% Above 35 years - 10%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	

Experience adjustments

Gratuity	As at				
	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
	₹	₹	₹	₹	₹
Present value of DBO	67,180,194	26,163,377	25,514,603	21,926,828	20,988,806
Fair value of plan assets	19,457,247	21,796,023	19,149,631	17,400,854	13,788,713
Funded status [surplus / (deficit)]	(47,722,947)	(2,566,232)	(6,364,972)	(4,525,974)	(7,200,093)
Exp. Adj. on plan liabilities	29,219,941	(1,825,943)	(707,149)	(968,641)	(1,076,959)
Exp. Adj. on plan assets	21,087	110,136	220,204	268,189	(101,591)

(iii) Actuarial assumptions for long-term compensated absences

Particulars	31 March 2017	31 March 2016
Discount rate	6.50% - 7.10%	7.50% - 7.60%
Salary escalation	5.00% - 6.00%	5.00%
Attrition rate range over different age brackets	Upto 35 years - 50% (GTPL - 20%) Above 35 years - 12% (GTPL - 5%)	Upto 35 years - 30% Above 35 years - 10%

33. Segment information

The Group has identified business segments as its primary segment and geographical segments as its secondary segment. Business Segments are primarily Financial Services and Software Services. Financial Services consists of Brokerage Services, Depository Services, Financial Products Distribution Services, Portfolio Management Services and other allied activities. Software Services segment consists of income from development and maintenance of Software. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and Liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed Assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographical Segments of the Group are India and Others.

Notes forming part of the consolidated financial statements *(contd...)*

33. Segment information *(contd...)*

Particulars	Financial services		Software services		Eliminations		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	₹	₹	₹	₹	₹	₹	₹	₹
Revenue	2,540,711,752	2,273,745,647	196,445,849	185,767,598	-	-	2,737,157,601	2,459,513,245
Inter segment revenue	-	-	32,508,139	29,452,094	32,508,139	29,452,094	-	-
Total	**2,540,711,752**	**2,273,745,647**	**228,953,988**	**215,219,692**	**32,508,139**	**29,452,094**	**2,737,157,601**	**2,459,513,245**
Segment result	**533,959,168**	**305,420,239**	**92,283,331**	**86,149,736**	**26,058,059**	**21,639,989**	**600,184,440**	**369,929,986**
Less : Interest expenses							6,085,139	8,432,255
Add : Other income							320,419,030	260,117,306
Profit before tax							**914,518,331**	**621,615,037**
Tax expense							301,958,814	179,185,565
Net profit for the year before minority interest							612,559,517	442,429,472
Less : Minority interest							52,623,551	65,111,790
Add : Share of profit / (loss) from associates							242,518	(1,239,079)
Profit for the year							**560,178,484**	**376,078,603**
Segment assets	3,970,533,637	3,741,592,973	92,225,076	93,068,471			4,062,758,713	3,834,661,444
Unallocable assets							4,119,875,315	3,233,746,660
Total assets							**8,182,634,028**	**7,068,408,104**
Segment liabilities	2,483,463,544	1,646,820,025	30,905,819	30,308,494			2,514,369,363	1,677,128,519
Unallocable liabilities							548,109,226	490,778,892
Total liabilities							**3,062,478,589**	**2,167,907,411**
Other information								
Capital expenditure (allocable)	74,196,401	216,269,073	20,679,806	8,852,878			94,876,207	225,121,951
Depreciation and amortisation (allocable)	133,145,572	122,284,045	8,780,675	7,190,509			141,926,247	129,474,554
Other significant non-cash expenses (allocable)	498,795	1,394,997	-	-			498,795	1,394,997

Secondary Segment

Particulars	India		Others		Eliminations		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	₹	₹	₹	₹	₹	₹	₹	₹
Revenue	2,478,167,611	2,216,577,071	258,989,990	242,936,174	-	-	2,737,157,601	2,459,513,245
Inter segment revenue	-	-	37,466,261	26,167,500	37,466,261	26,167,500	-	-
Total	**2,478,167,611**	**2,216,577,071**	**296,456,251**	**269,103,674**	**37,466,261**	**26,167,500**	**2,737,157,601**	**2,459,513,245**
Segment assets	7,863,723,644	6,710,102,146	318,910,384	358,305,958	-	-	8,182,634,028	7,068,408,104
Capital expenditure	91,438,485	211,018,573	3,437,722	14,103,378	-	-	94,876,207	225,121,951

Notes forming part of the consolidated financial statements *(contd...)*

34. Leases

(a) Operating lease as a lessee

The Company is obligated under non-cancellable operating leases for its branch office premises. Total rental expenses under such leases amounted to ₹4,070,957/- (Previous Year : ₹ Nil). Future minimum lease payments due under non-cancellable operating leases are as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Not later than one year	4,295,531	2,341,718
Later than one year and not later than five years	7,734,228	195,140
Later than five years	-	-

The Company is also obligated under cancellable operating leases for residential and office space. Total rental expense under cancellable operating leases during the year was ₹137,957,444/- (Previous year : ₹134,416,261/-).

35. Earnings Per Equity Share

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Basic:		
Net profit / (loss) for the year attributable to equity shareholders - ₹	560,178,484	376,078,603
Weighted average number of equity shares	235,168,231	233,285,736
Basic Earnings per Share - ₹	2.38	1.61
Diluted:		
Net profit / (loss) for the year attributable to equity shareholders - ₹	560,178,484	376,078,603
Weighted average number of equity shares for Basic EPS	235,168,231	233,285,736
Add: Effect of ESOPs which are dilutive	564,171	1,029,347
Weighted average number of equity shares for Diluted EPS	235,732,402	234,315,083
Diluted Earnings per Share - ₹	2.38	1.61

36. Details of Company's Interest In Joint Ventures

The Company has interest in the following jointly controlled entities:

Name of Jointly Controlled Entity and Country of Incorporation	% of Shareholding Interest	
	31 March 2017	31 March 2016
Barjeel Geojit Securities LLC, United Arab Emirates ('Barjeel')	30%	30%
Aloula Geojit Capital Company, Saudi Arabia ('Aloula')	28%	28%

The Company has interest in the following jointly controlled entities: *(contd...)*

Particulars	Barjeel (Unaudited)		Aloula (Unaudited)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	₹	₹	₹	₹
Assets	94,664,703	101,700,584	205,383,638	229,442,593
Liabilities	21,628,892	19,859,304	12,622,281	13,216,916
Income	72,330,969	68,385,135	41,950,183	26,154,580
Expenditure	58,548,418	62,352,143	61,021,312	118,393,133
Contingent liabilities	6,572,957	6,715,361	-	-

Notes forming part of the consolidated financial statements *(contd...)*

37. Related party disclosures

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31 March 2017	Receivable / (Payable) as on 31 March 2017	For the year ended 31 March 2016	Receivable / (Payable) as on 31 March 2016
			₹	₹	₹	₹
Entity having Significant Interest in the Company	BNP Paribas SA	Bank charges	4,137	50,766,915	4,995	33,864,129
		Rent received	120,000		120,000	
		Rent Paid	464,486		2,882,575	
		Software Income	154,080,616		129,823,428	
		Expenses recovered	-		148,695	
		Dividend paid	-		210,894,637	
Key Management Person - Managing Director of Geojit Financial Services Limited	Mr. C. J. George	Salary and allowances *	19,703,019	(5,902,000)	16,123,620	(1,680,000)
		Brokerage income	-		-	
		Dividend paid	-		119,018,999	
Relative of Key Management Person - Sons of Mr. C. J. George	Mr. Jones George	Salary and allowances	5,000	(1)	283,303	-
		Brokerage income	7,368		10,000	
		AMC Income	-		766	
		Dividend paid	-		375,000	
	Mr. Jyothis Abraham George	Brokerage income	30,900	-	3,061	-
		AMC Income	515		350	
		Dividend paid	-		305,976	
Relative of Key Management Person - Wife of Mr. C. J. George	Ms. Shiny George	Dividend paid	-	-	13,854,500	-
Relative of Key Management Person - Sisters of Mr. C. J. George	Susan Raju	AMC Income	115	-	-	(53)
		Dividend paid	-		8,250	
	Sally Sampath	AMC Income	1,467	-	-	(11)
		Dividend paid	-		13,750	
Entity over which Relative of Key Management Person has Control	Geofin Comtrade Limited	Expenses reimbursed	2,035	(786,652)	457,274	(377,964)
		Expenses recovered	1,510,875		1,448,935	
		Warehouse Charges (Agri-Products) Recovered	834,147		1,748,863	
		Cost recovery for shared services	2,450,559		3,939,323	
		Referral fees	-		1,411,468	
		Remiser commission	-		100,474	
		Distribution Commission paid	2,000		-	
		Rent deposit refunded	-		22,450	
		Rent received	3,239,448		3,099,318	
		Deposit refunded	-		20,000	
	Geofin Capital Services Limited	Rent received	52,794	(579,459)	23,764	(1,442,642)
		Rent deposit accepted	-		22,450	
		Deposit Accepted	-		1,000,000	
		Commission Paid	5,030,198		1,185,486	
		Cost recovery for shared services	2,279		-	
		Exchange penalties recovered	665,850		-	
		Expenses recovered	247,505		1,035	
	C J G Holdings India Private Limited	Loan Taken	55,000,000	(55,000,000)	-	-
		Interest on Loan taken	529,657		-	

Notes forming part of the consolidated financial statements *(contd...)*

37. Related party disclosures *(contd...)*

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year ended 31 March 2017	Receivable / (Payable) as on 31 March 2017	For the year ended 31 March 2016	Receivable / (Payable) as on 31 March 2016
			₹	₹	₹	₹
Trust under the control of the Company	Geojit Foundation	Contribution given	17,025,580	-	2,428,040	-
Entity having significant influence in one of the subsidiary Companies (Geojit Technologies Private Limited)	BNP Paribas India Solutions Private Limited	Software Income	432,395	-	577,577	659,520
		Advance Software Income	-		-	(432,395)

* The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

38. Employee Stock Option Plans:

(A) Details of options granted are as follows:

Particulars	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Date of grant	10 December 2007	29 March 2011	11 July 2012	21 May 2013	27 June 2014	4 August 2016
Date of nomination and remuneration committee approval	12 October 2007	12 April 2010	12 April 2010	12 April 2010	12 April 2010	4 August 2016
Date of shareholder approval	5 December 2007	12 July 2010	12 July 2010	12 July 2010	12 July 2010	4 August 2016
Eligible employees	Senior Management	All	All	All	All	All
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
No. Of equity shares for each option	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share	One Option = One Share
No. Of options granted	2,500,000	2,786,795	2,799,885	2,799,991	2,799,999	8,079,340
Exercise price	₹25.50 (Repriced from ₹59.90 on 11 April 2009)	₹22.20	₹20.55	₹23.95	₹41.45	₹41.60
Discount granted	10% on the market price on the date prior to grant date	No discount	No discount	No discount	No discount	No discount
Vesting period	4 years (4th to 7th year)	Immediate	Immediate	Immediate	Immediate	4 years (2nd to 5th year)

Notes forming part of the consolidated financial statements *(contd...)*

40. **Employee Stock Option Plans:** *(contd...)*

(A) Details of options granted are as follows:

Particulars	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Manner of vesting	In a graded manner in equal 25% proportion over 4 years commencing from the end of the 4th year from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	Immediate vesting on the 2nd Anniversary from grant date	In a graded manner over 4 years commencing from 01 October 2017
Vesting condition	Continuation in the services of the Company and such other conditions as may be formulated by the Nomination and Remuneration Committee from time to time					
Exercise period	From vesting date to 9th December 2015	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 years from vesting date	3 to 4 years from vesting date
No. of options outstanding at the beginning of the year	-	-	611,735	1,383,437	2,369,677	-
	(1,699,540)	(631,064)	(1,215,160)	(2,445,692)	(2,685,956)	(-)
Add: no. of options granted during the year	-	-	-	-	-	8,079,340
	(-)	(-)	(-)	(-)	(-)	(-)
Less: no. of options forfeited on resignation / lapsed due to non-exercise during the year	-	-	31,690	71,020	229,075	688,760
	(139,603)	(232,390)	(29,960)	(79,050)	(316,279)	(-)
Less: no. of options exercised during the year	-	-	227,670	316,625	16,654	-
	(1,559,937)	(398,674)	(573,465)	(983,205)	(-)	(-)
No. of options outstanding at the end of the year	-	-	352,375	995,792	2,123,948	7,390,580
	(-)	(-)	(611,735)	(1,383,437)	(2,369,677)	(-)
No. of options vested during the year	-	-	-	-	2,316,539	-
	(-)	(-)	(-)	(2,145,819)	(-)	(-)
No. of options exercisable at year end	-	-	352,375	995,792	2,123,948	-
	(-)	(-)	(611,735)	(1,383,437)	(-)	(-)
No. of options available for grant at year end	-	-	-	-	-	1,320,660
	(-)	(-)	(-)	(-)	(-)	(-)
Weighted average remaining contractual life of options outstanding at year end	-	-	-	1 year	2 years	7 years
	(-)	(-)	(1 year)	(2 years)	(3 years)	(-)

Note: Previous year figures are given in brackets.

Notes forming part of the consolidated financial statements *(contd...)*

(B) Accounting of employee share based compensation cost:

The Company has adopted 'intrinsic value method' for accounting employee share based compensation cost. Under the intrinsic value method, the difference between market price of the share on the date prior to grant date and the exercise price is considered as intrinsic value of options and expensed on straight-line basis over the vesting period as employee share based compensation cost. The details of costs accounted under the Employee Stock Option Plans are as follows:

Plan	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
	₹	₹	₹	₹	₹	₹
Cumulative intrinsic value of the options granted net of expected forfeiture	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Expected forfeiture rate per annum	-	10%	10%	10%	10%	10%
	(4%)	(10%)	(10%)	(10%)	(10%)	(-)
Amount expensed during the year under intrinsic value method	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Additional charge under fair value method of accounting cost	-	-	-	-	2,510,901	19,546,075
	(-)	(-)	(-)	(337,483)	(18,635,299)	(-)

Note: Previous year figures are given in brackets.

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

Plan	ESOP 2007 for Key Employees	ESOP 2010 – Tranche I	ESOP 2010 – Tranche II	ESOP 2010 – Tranche III	ESOP 2010 – Tranche IV	ESOP 2016
Weighted average fair value per option (₹)	61.67	6.94	4.71	5.70	16.64	11.19
Market price relevant for grant (₹)	25.50	22.20	20.55	23.95	41.45	41.60
Weighted Average share price as on the date of exercise during the year (₹)		26.05.16 – 37.95	26.05.16 – 37.95	26.05.16 – 37.95	03.11.16 – 40.20	NA
			04.08.16 – 42.60	04.08.16 – 42.60	23.03.17 – 48.35	
			03.11.16 – 40.20	03.11.16 – 40.20		
			27.01.17 – 38.05	27.01.17 – 38.05		
			23.03.17 – 48.35	23.03.17 – 48.35		
Expected annual volatility of shares	170%	52%	39%	42%	66%	43%
Expected dividend yield	0.60%	2.30%	4.04%	4.59%	0.46%	2.64%
Risk free interest rate	7.00%	8.00%	8.00%	8.00%	8.00%	6.50%
Expected life (In years)	4-7	2	2	2	2	1-4

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

Notes forming part of the consolidated financial statements *(contd...)*

(D) The impact on basic and diluted earnings per share for the year, had the Company followed fair value method of accounting for employee share based compensation cost is as follows:

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Profit / (loss) for the year (as reported)	560,178,484	376,078,603
Add: Expense on employee stock option plans under intrinsic value method	-	-
Less: Expense on employee stock option plans under fair value method	22,056,976	18,972,782
Profit for the year (proforma)	538,121,508	357,105,821
Basic earnings per share (as reported)	2.38	1.61
Basic earnings per share (proforma)	2.29	1.53
Diluted earnings per share (as reported)	2.38	1.61
Diluted earnings per share (proforma)	2.28	1.52

39. Details of Provisions

Particulars	As at 31 March 2016 (₹)	Additions	Utilisations	Reversals	As at 31 March 2017 (₹)
Contingent Provisions against Standard Assets	198,348	120,952	-	-	319,300
Provisions for non performing assets	1,274,735,535	-	-	16,313	1,274,719,222

40. Details of assets under the Portfolio Management Scheme are as follows:

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Number of clients	586	648
Original cost of assets under management – ₹	791,990,870	921,968,316
Represented by:		
(a) Bank balance – ₹	39,278,931	24,922,103
(b) Cost of portfolio holdings – ₹	752,711,939	897,046,213
Total	791,990,870	921,968,316
Net asset value of portfolio under management – ₹	1,542,575,577	1,389,419,862

41. During the year ended 31 March 2014, the Company, in its consolidated financial statements, had recorded ₹349,920,919/- as 'Goodwill on Consolidation' by crediting Reserves and Surplus. The goodwill was relating to acquisition of further shares by direct capital infusion by Geojit Financial Services Limited and Geojit Financial Management Services Private Limited in Geojit Credits Private Limited. In the standalone financial statements of Geojit Financial Services Limited and Geojit Financial Management Services Private Limited, the existing equity investment in Geojit Credits Private Limited as well as the further equity investment was fully provided for in the year ended 31 March 2014 and the entire losses of Geojit Credits Private Limited upto 31 March 2014 has been fully absorbed by majority shareholders of Geojit Credits Private Limited. Management has undertaken a review of the above and on the basis of the facts and circumstances, believes it is appropriate to reverse the above goodwill by adjustment to Reserves and has accordingly carried out the adjustment in the consolidated financial statements of the Company during the current year.

Notes forming part of the consolidated financial statements *(contd...)*

42. Additional information on net assets and share of profits of the Company, its subsidiaries, associates and joint ventures as considered in the Consolidated Financial Statements (as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013):

Name of the Entity	Net Assets (i.e., total assets minus total liabilities)		Share of profit or loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated profit or loss	Amount (₹)
A. Parent:				
Geojit Financial Services Limited	77%	3,951,211,098	68%	383,153,720
B. Subsidiaries:				
a. Indian:				
1. Geojit Investment Services Limited	2%	118,921,579	0%	1,801,042
2. Geojit Technologies Private Limited	29%	1,500,128,253	27%	152,490,610
3. Geojit Financial Distribution Private Limited	1%	41,001,649	0%	1,764,934
4. Geojit Credits Private Limited	1%	36,474,769	0%	(54,606)
5. Geojit Financial Management Private Limited	0%	13,275,806	0%	674,696
b. Foreign:				
1. Qurum Business Group Geojit Securities LLC, Oman	0%	7,587,948	0%	(1,520,315)
C. Minority Interest in all subsidiaries	(10%)	(532,200,597)	(9%)	(52,623,551)
D. Associates (Investment as per the equity method)				
a. Foreign:				
1. BBK Geojit Securities KSC, Kuwait	0%	(13,932,258)	0%	242,518
E. Jointly Controlled Entities (as per proportionate consolidation)				
a. Foreign:				
1. Barjeel Geojit Securities LLC, UAE	1%	73,035,811	2%	13,782,551
2. Aloula Geojit Capital Company, Saudi Arabia	4%	192,761,357	(3%)	(19,071,129)
Eliminations / Adjustments	(5%)	(268,109,976)	14%	79,538,014
Total	**100%**	**5,120,155,439**	**100%**	**560,178,484**

Notes forming part of the consolidated financial statements *(contd...)*

43. Note on Corporate Social Responsibility expenditure under Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities issued by ICAI:

(a) Gross amount required to be spent by the Company during the year: ₹16,900,620/-.

(b) Amount spent during the year on:

Activity	Paid in Cash	Yet to be paid in Cash	Total
	₹	₹	₹
Promoting Education	3,262,260	-	3,262,260
Promoting Healthcare - Sparsh (Community Health Project)	5,734,114	-	5,734,114
Infrastructure Support	2,056,706	-	2,056,706
Promoting Rural Sports, Nationally Recognised Sports	100,000	-	100,000
Protection Gender Equality	40,000	-	40,000
Ensuring ecological balance	5,500,000	-	5,500,000
Social Inclusion	360,000	-	360,000
Administrative Expenses	3,403	-	3,403
Total	**17,056,483**	**-**	**17,056,483**

(c) Related party transactions as per Accounting Standard 18 - Related Party Disclosures: ₹17,025,580/- (Refer note 37)

44. A scheme of amalgamation for the merger of Geojit Financial Distribution Private Limited and Geojit Financial Management Services Limited, two wholly owned subsidiaries, into Geojit Investment Services Limited was filed before the Honorable High Court of Kerala. The Honorable High Court vide an order dated 14 January 2016 directed that a meeting of Shareholders be held and pursuant to the same, a meeting of the shareholders was held on 10 March 2016 in which the scheme was approved by the shareholders. The said scheme is pending before the Court for its approval. These subsidiaries are not material to the consolidated financial statement, either individually or in aggregate.

45. Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's classification / disclosure.

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

N Sampath Ganesh
Partner
Membership No.: 042554

Place: Mumbai
Date : 26 May 2017

for and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Form AOC-I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

(Pursuant to first proviso to sub section(3) of Section 129 of Companies Act 2013 read with Rule 5 of the Companies (Account) Rules, 2014- AOC-1)

Part A : Subsidiaries *₹ in million*

Particulars	Geojit Credits Pvt. Limited	Geojit Investment Services Limited	Geojit Technologies Pvt. Limited	Geojit Financial Management Services Pvt. Limited	Geojit Financial Distribution Pvt. Limited	Qurum Business Group Geojit Securities LLC
Financial Period Ended	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-17	31-Dec-16
Exchange Rate	₹	₹	₹	₹	₹	176.4275
Paid up share capital	1,231.66	40.00	11.54	277.00	0.50	44.11
Reserves & Surplus	(1,195.18)	78.92	1,488.59	(263.72)	40.50	(38.51)
Total Assets	1,432.99	140.26	1,531.03	13.31	41.06	11.64
Total liabilities (excluding capital and reserves)	1,396.51	21.34	30.91	0.04	0.06	6.04
Investments (including investment in subsidiaries)	22.58	55.49	748.28	12.80	39.70	-
Turnover (Gross income from operations)	11.07	4.05	228.95	-	-	18.06
Profit /(Loss) before taxation	0.16	2.94	194.96	0.70	2.61	(6.86)
Provision for taxation	0.21	1.14	42.47	0.03	0.85	-
Profit after taxation	(0.05)	1.80	152.49	0.67	1.76	(6.86)
Proposed dividend (including corporate dividend tax)	-	-	79.85	-	-	-
% of shareholding	67.75**	100	65*	100	100*	51

* 65% of the stake in Geojit Technologies Private Limited and 100% of the stake in Geojit Financial Distribution Private Limited held through Geojit Investment Services Limited, a wholly owned subsidiary of the Company

**Apart from 67.75% held by Geojit Financial Services Limited, 26.39% of stake in Geojit Credits Private Limited is held by Geojit Financial Management Services Private Limited, a wholly owned subsidiary of the Company.

Name of subsidiaries which are yet to commence operations — NA

Name of subsidiaries which have been liquidated / sold during the year — NA

For and on behalf of the Board of Directors of
Geojit Financial Services Limited
(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

Form AOC-I

Part B : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint Ventures

Sl No.	Name of associate / joint ventures	Latest audited balance sheet date	Shares of associate / joint ventures held by the Company as at March 31, 2017			Networth attributable to shareholding as per latest audited balance sheet (₹ in Million)	Profit / (Loss) for the year		Description of how there is a significant influence	Reason of non-consolidation of the associate / joint ventures
			No. of shares	Amount of investments in associate / joint ventures (₹ in Million)	Extent of holding %		Considered in consolidation	Not considered in consolidation		
1	BBK Geojit Securities KSC	31-Dec-16	1,500,000	26.55	30%	18.55	0.24	-	Due to % of Share Capital	NA
2	Barjeel Geojit Securities LLC	31-Mar-16	1,500	19.14	30%	81.76	13.78	-		NA
3	Aloula Geojit Capital Company	31-Dec-16	11,200,000	301.99	28%	170.41	(19.07)	-		NA

Name of associates/joint ventures which are yet to commence operations — NA

Name of associates/joint ventures which have been liquidated / sold during the year — NA

For and on behalf of the Board of Directors of

Geojit Financial Services Limited

(Formerly known as Geojit BNP Paribas Financial Services Limited)

A. P. Kurian
Chairman
DIN : 00008022

C. J. George
Managing Director
DIN : 00003132

Joe Peter
Chief Financial Officer

Liju K. Johnson
Company Secretary

Place: Kochi
Date : 26 May 2017

NOTES

NOTES

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of Geojit Financial Services Limited (formerly known as Geojit BNP Paribas Financial Services Limited) will be held on Tuesday, 25th day of July 2017 at 4.00 PM at The Renai Cochin, Palarivattom, Kochi, Kerala - 682025 to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of Financial Statements

To receive, consider and adopt

a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2017 together with the report of the Board of Directors and Auditors thereon ; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the report of Auditors thereon.

Item No. 2 - Dividend

To declare a final dividend of Rs. 1.25 per equity shares for the financial year 2016-17.

Item No. 3 - Appointment of Director

To appoint a Director in place of Mr. Punnoose George (DIN 00049968) who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 4 - Ratification of Appointment of Statutory Auditors

To ratify the appointment of Statutory Auditors and to fix their remuneration and in this connection, to pass, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT, pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed there under, including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof, for the time being in force, and pursuant to the resolutions passed by the members at the Annual General Meeting held on 4th day of August, 2016, the Company hereby ratifies the appointment of M/s. B S R & Associates LLP, Chartered Accountants (ICAI Registration No. 116231W/W-100024),as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Fourth Annual General Meeting of the Company and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year 2017-18, as may be determined by the Audit Committee in consultation with the Auditors."

By Order of the Board of Directors

Liju K Johnson

Place : Kochi — *Company Secretary*

Date : 26.05.2017 — Membership No. A21438

GEOJIT FINANCIAL SERVICES LIMITED
(Formerly known as Geojit BNP Paribas Financial Services Limited)
Registered Office: 34/659-P, Civil Line Road
Padivattom, Kochi – 682024, Kerala, India
Corporate Identity Number (CIN): L67120KL1994PLC008403
E mail – mailus@geojit.com, Website: www.geojit.com
Phone: 0484-2901000, Fax : 0484-2979695

IMPORTANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. Proxy/ proxies need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of 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. The instrument of proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of notice in writing is given to the Company.

3. Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations,

authorising them to attend and vote on their behalf at the Meeting.

4. Members/Proxies/Authorised representatives are requested to bring their copy of Annual Report and Attendance Slip duly filled in and signed and handover the same at the entrance of the hall.

5. Electronic copy of the Annual Report for 2016-17, the Notice of the 23rd Annual General Meeting of the Company *inter alia* indicating the process and manner of Remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode. To support the 'Green Initiative', the members who have not registered their e-mail ids are requested to register the same with S K D C Consultants Limited/ Depositories.

6. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.geojit.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kochi for inspection during normal business hours on all working days except Saturday(s), Sunday(s) and Public Holidays upto and at the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: companysecretary@geojit.com.

7. **Members holding shares in physical mode are requested to register their e-mail ID's with the Registrar & Share Transfer Agents (RTA) of the Company - M/s. S.K.D.C. Consultants Limited and members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is not registered**.

   If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar & Share Transfer Agents of the Company in respect of shares held in physical form and to DP's in respect of shares held in electronic form.

8. Members are requested to address all correspondences, change in their bank account details, including dividend matters, to the Registrar & Share Transfer Agents M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu- 641006 (Email: info@skdc-consultants.com).

9. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.

10. Details under Regulation 36 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standard on General Meeting (SS-2) issued by Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

11. The Company has transferred the unpaid or unclaimed dividend declared up to financial year 2008-09 from time to time on due dates to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, and the rules made there under, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company and also on the website of the Ministry of Corporate Affairs.

    Members are also requested to note that dividend that are not claimed within seven years from the date of transfer to the Company's unpaid dividend account will, as per Section 124 of Companies Act 2013 ("Act") be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable Rules.

12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

13. Members holding shares in physical form are requested to dematerialize their shares. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or the RTA. Members holding shares in physical form are also requested to quote their PAN details on the share transfer deed submitted for transfer of their shares.

14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and the Certificate from Auditors of the Company as stipulated under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended will be available for inspection by the members upto and at the Annual General Meeting.

15. The Register of Members and Share Transfer Books will remain closed from 13 July, 2017 to 14 July, 2017 (both days inclusive) for the purpose of payment of the final dividend for the financial year 2016-17 and the AGM. Dividend as recommended by the Board, if declared, at the meeting will be paid within a period of 30 days from the date of declaration to those members whose name appear on the Register of Members as of close of the business hours on 12 July 2017. The Board recommended a final dividend of Rs. 1.25 per equity share.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturday(s), Sunday(s) &Public Holiday(s), up to the date of the Annual General Meeting of the Company and at the meeting.

17. A route map showing directions to reach the venue of 23rd AGM is given at the end of this Notice as per the requirement of Secretarial Standards -2 on "General Meeting."

18. Voting Through Electronic means

    1. Pursuant to Section 108 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI(LODR)Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) of the Company by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services. The Members may cast their vote using an electronic voting system from a place other than the venue of the meeting.

    2. The facility of casting the votes by the members using an electronic system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

    3. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. In case Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast through ballot form shall be treated as invalid.

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

    5. The remote e-voting period commences on Friday, 21st July 2017 (9:00 am) and ends on Monday 24th July 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in demat form, as on the cut - off date of Tuesday, 18th July 2017, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. A person who is not a member as on the cut -off date should treat this notice for information purpose only.

    7. Any person who acquires shares of the Company and becomes member of the Company after dispatch of Notice of AGM and holds shares as on the cut-off date i.e; Tuesday, 18th July 2017, may obtain the Log-in ID and Password by sending a request at evoting@nsdl.co.in.

       However, if you are already registered with NSDL for remote

e-voting, then you can use your existing Log-in ID and Password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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

8. The instructions for remote e-voting are as under:

A. In case a member receives an e-mail from NSDL (for members whose e-mail IDs are registered with the Company/ Depositories):

i. Open email and open PDF file viz.; "Geojit remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "Geojit remote e-Voting.pdf".

ii. Launch the internet browser by typing the following URL: https://www.evoting.nsdl.com.

iii. Click on Shareholder – Login.

iv. If you are already registered with NSDL for remote e-voting, then you can use your existing User ID and Password for Login.

NOTE: Shareholders who forgot the User Details/ Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (EVEN No+Folio No).

v. If you are logging in for the first time, please enter the User ID and Password provided in the PDF file attached with the e-mail as initial password.

vi. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vii. Once the remote e-voting home page opens, click on remote e-voting - Active Voting Cycles.

viii. Select "EVEN" (E-voting Event Number) of Geojit Financial Services Limited (the number provided in this document). Now you are ready for remote e-voting as Cast Vote page opens.

ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

xi. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to sathveeka001@gmail.com with a copy marked to evoting@nsdl.co.in.

xiii. In case of any queries, please refer to the Frequently Asked Questions (FAQs) for members and the e-voting user manual for members available in the 'Downloads' section of www.evoting.nsdl.com. You can also contact NSDL via email at evoting@nsdl.co.in.

B. In case a member receives physical copy of the Notice of AGM (for members whose e-mail IDs are not registered with the Company/Depositories):

i. Initial password is provided at the bottom of enclosed attendance slip:

EVEN (E -voting Event Number)	USER ID	PASSWORD/PIN

ii. Please follow all steps from Sr. No. (ii) to Sr. No. (xiii) above, to cast vote.

C. Other Instructions

i. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, 18th July 2017.

ii. Mr. Satheesh Kumar N, Practising Company Secretary (Membership No. 16543) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

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

iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make, not later than three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of voting forthwith.

v. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.geojit.com and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to National Stock Exchange of India Limited and BSE Limited.

19. Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed format can be obtained from the Company's Registrar and Share Transfer Agents, M/s. S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore, Tamil Nadu-641006 (Email: info@skdc-consultants.com). For members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.

20. In case of joint holders attending the AGM, 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.

21. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the Dividend Warrants as per the applicable regulations of the Depository. The Company will not act on any direct request from such members for change/deletion in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants immediately.

22. The Certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme(s) are being implemented in accordance with the Securities and Exchange Board of India(Share Based Employee Benefits) Regulations, 2014, as amended and in accordance with the resolutions passed by the Members, will be available for inspection by the Members at the AGM.

By Order of the Board of Directors

Liju K Johnson
Company Secretary
Membership No. A21438

Place : Kochi
Date :26.05.2017

GEOJIT FINANCIAL SERVICES LIMITED
(Formerly known as Geojit BNP Paribas Financial Services Limited)
Registered Office: 34/659-P, Civil Line Road
Padivattom, Kochi – 682024, Kerala, India
Corporate Identity Number (CIN): L67120KL1994PLC008403
E mail – mailus@geojit.com, Website: www.geojit.com
Phone: 0484-2901000, Fax : 0484-2979695

Details of the Director seeking re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard on General Meetings (SS-2)]

Name of the Director	Mr. Punnoose George
Date of Birth & Age	26-05-1959, 58 yrs
Nationality	Indian
Date of first Appointment on Board	29.04.1995
Qualifications	B.Sc. Engg. , LLM
Shareholding in Geojit Financial Services Ltd. (as on 31 March, 2017)	99,25,000 equity shares of Rs. 1/- each
Brief profile and expertise in specific functional area	He is an industrialist of repute with interests in manufacturing industries, plantations and educational institutions. He is the Executive Director of Kottukulam Group - Kottayam, Executive Chairman - SAINTGITS Group of Institutions and Director of M/s. Youth Empowerment Skills Foundation.
Director of other Indian Companies	1. Kottukulam Engineers Private Limited 2. Unity Realtors Pvt. Limited 3. Geojit Technologies Pvt. Ltd. 4. Yulfono Estates Pvt Ltd 5. Youth Empowerment Skills Foundation
Chairman / Member of Committees of the Boards of other Indian Companies of which he is a Director	Member: • Corporate Social Responsibility Committee - Geojit Technologies Pvt. Ltd.
Terms and Conditions of appointment or re-appointment along with remuneration and the last drawn remuneration	Appointed as Non Executive Director liable to retire by Rotation. He is not eligible for remuneration other than sitting fees for attending Board & Committee Meetings. Rs. 3,20,000/- was paid as sitting fees for attending Board & Committee Meetings in the FY 2016-17
The Number of Meetings of the Board attended during the year	Seven Meetings out of eight meetings for FY 2016-17
Relationships with other Directors, Manager and other Key Managerial Personnel	None

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CIN : L67120KL1994PLC008403
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Tel: 0484 2901000 | Fax: 0484 2979695 | e-mail: mailus@geojit.com | www.geojit.com

ATTENDANCE SLIP

23rd ANNUAL GENERAL MEETING - JULY 25, 2017

D.P.ID		CLIENT ID	
FOLIO NO		No. of shares	

I certify that I am a member/proxy/authorized representative for the member of the Company. I hereby record my presence at the **23rd Annual General Meeting** of the Company at The Renai Cochin, Palarivattom, Kochi, Kerala - 682025 held on Tuesday, 25th July 2017 at 4.00 p.m.

Signature of the Shareholder/Proxy

Name of the Shareholder/Proxy

Note: Please fill up this Attendance Slip and hand it over at the entrance of the Meeting Hall.

ELECTRONIC VOTING PARTICULARS		
EVEN (E-voting event number)	User ID	Password

Note: Please read instructions given at Note No.18 of the Notice of the 23rd Annual General Meeting carefully before voting electronically.

GEOJIT FINANCIAL SERVICES LIMITED

(Formerly known as Geojit BNP Paribas Financial Services Limited)

CIN : L67120KL1994PLC008403

Registered Office : 34/659-P, Civil Line Road, Padivattom, Kochi – 682 024

Tel: 0484 2901000 | Fax: 0484 2979695 | e-mail: mailus@geojit.com | www.geojit.com

PROXY FORM

23RD ANNUAL GENERAL MEETING - JULY 25, 2017

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

Name of the Member(s):					
Registered Address:					
Email-Id:					
DP ID:		CLIENT ID		FOLIO NO.	

I/We, being the member (s) of ..... shares of Geojit Financial Services Limited, hereby appoint :

1. Name: .....

   Address: .....

   E-mail Id: .....

   Signature..... or failing him/her; .....

2. Name: .....

   Address: .....

   E-mail Id: .....

   Signature..... or failing him/her; .....

3. Name: .....

   Address: .....

   E-mail Id: .....

   Signature..... or failing him/her; .....

And whose signatures are appended above as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23rd Annual General Meeting of the Company, to be held on Tuesday, 25th July, 2017 at 4.00 p.m. at Renai Cochin, Palarivattom, Kochi, Kerala – 682 025 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated back of this page:

I wish my proxy to vote in the manner as indicated in the box below:

Resolution	Vote *	
ORDINARY BUSINESS	For	Against
1. Consider and adopt a) Audited Standalone Financial Statement, report of the Board of Directors and Auditors for the financial year ended 31st March,2017. b) Audited Consolidated Financial Statement for the financial year ended 31st March,2017.		
2. To declare a final dividend of Rs. 1.25 per equity shares for the financial year 2016-17.		
3. Reappointment of Mr. Punnoose George, as Director who retires by rotation.		
4. Ratification of Appointment of M/s. B S R & Associates LLP, Chartered Accountants as the Statutory Auditors and fixing their remuneration.		

Signed this……..…… day of….....…… 2017

Signature of shareholder:.....

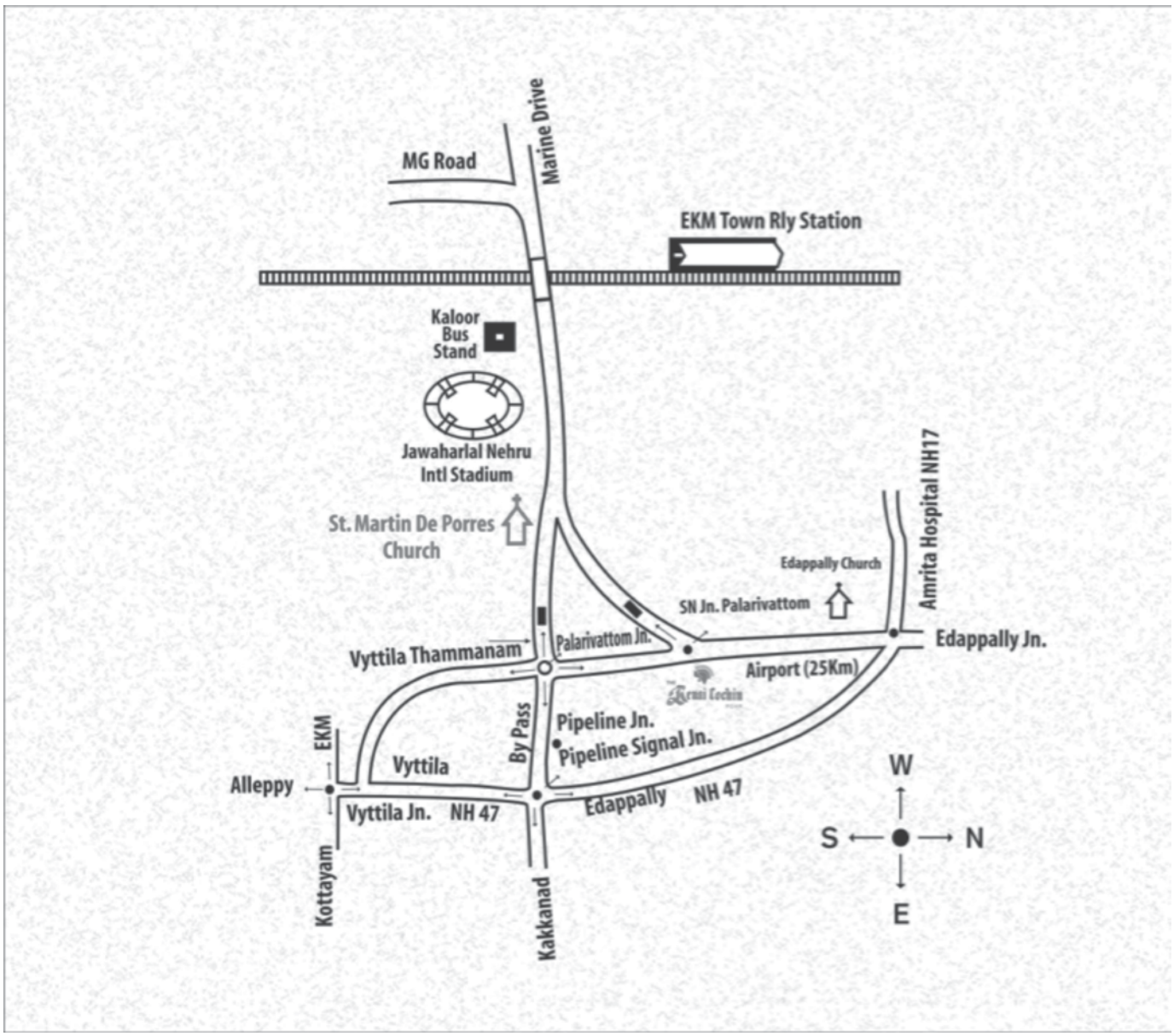
Signature of Proxy holder(s): .....

Affix Revenue Stamp here

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. For the Resolutions, and Notes, please refer to the Notice of 23rd AGM.
3. *Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.
4. A Proxy need not be a member of the Company.
5. 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.
6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
7. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Route map to the 23rd AGM venue





ABOUT GEOJIT

SIP MAKES INVESTING SIMPLE, GEOJIT MAKES IT SUCCESSFUL.

- 30 YEARS OF EXPERTISE
- RESEARCH BASED RECOMMENDATIONS
- TRUSTED BY OVER 8 LAKH INVESTORS

GEOJIT

Toll Free: 1800 425 5501 / 1800 103 5501, Paid Line: +91 484 3911 777

Disclaimer: Investment in securities market are subject to market risks, read all the related documents carefully before investing.
Geojit Financial Services Ltd. (formerly known as Geojit BNP Paribas Financial Services Ltd.), Registered Office: 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website: www.geojit.com. For investor queries: customercare@geojit.com. For grievances: grievances@geojit.com. For compliance officer: compliance@geojit.com. Corporate Identity Number: L67120KL1994PLC008403, SEBI Regn.Nos.: NSE: INB/INF/INE231337230 | BSE:INB011337238 & INF011337237 | MSEI: INE261337230, INB261337233 & INF261337233, Research Entity SEBI Reg No: INH200000345, Investment Adviser SEBI Reg No: INA200002817, Portfolio Manager INP000003203, NSDL: IN-DP-NSDL-24-97, CDSL: IN-DP-CDSL-648-2012, ARN Regn.Nos.0098, IRDA Corporate Agent (Composite) No.: CA0226



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