

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

**34<sup>th</sup> Annual Report  
2017-2018**

## Financial Highlights

(Rs. in Lakhs)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Net Worth*	3952	4013	606	834	880
Borrowings	3755	3,339	2,427	1,573	1,508
Net fixed Assets (including revaluation)	28	30	6,554	5,607	5,729
Investments	1568	1560	1547	1,547	1,547
Book Value per share (in rupees)	79.79	81.04	12.23	16.85	17.77
Gross Income	652	663	340	372	256
Operating and Other expenses	709	672	582	430	416
Profit Before Tax	(58)	(9)	(243)	(57)	(160)
Profit After Tax	(59)	(18)	(229)	(42)	(153)
Equity Dividend Per share – (in rupees)	-	-	-	-	-

Financial figures for 2017-18 and 2016-17 are as per Ind AS and remaining figures are as per Previous Companies (Accounting Standards) Rules, 2006.

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## **Corporate Information**

### **Board of Directors**

**Mr. Asit C. Mehta**

*Chairman*

DIN: 00169048

**Mrs. Deena A. Mehta**

Non-Executive Director

DIN:00168992

**Mr. Kirit H.Vora**

Non-Executive Director

DIN: 00168907

**Mr. Vijay Ladha**

Independent Director

DIN: 00168663

**Mr. Radha Krishna Murthy**

Independent Director

DIN: 00221583

**Mr. Pundarik Sanyal**

Independent Director

DIN: 01773295

**Manager**

Mr. Pankaj Jeevanlal Parmar

**Chief Financial Officer**

Ms. Mamta Gautam

w.e.f. 14th December, 2017

**Company Secretary & Compliance Officer**

Ms. Meha Singh Sikarwar

**Statutory Auditors**

M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, 4th Floor, Padmavati Complex, Near Jain Temple, Cow Circle, Akota, Vadodara-390020

**Internal Auditors**

M/s. Mehta Chokshi & Shah , Chartered Accountants, Maker Bhavan 3, 214, 2nd Floor, New Marine Lines, Mumbai-400020

**Registrar and Transfer Agent**

Link Intime India Private Limited,  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.  
Phone no:022- 4918 6270 Fax no.:022-4918 6060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**Bankers**

ICICI Bank Limited  
Bank of India  
State Bank of India  
YES Bank Limited  
IndusInd Bank Limited

**Registered office Address**

Nucleus House, Saki-Vihar Road,  
Andheri (East), Mumbai: 400072  
Tel. No: 022- 28570781/28583333  
E-mail: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)  
Website: [www.acmfsl.com](http://www.acmfsl.com)  
CIN: L65900MH1984PLC091326

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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### ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(CIN: L65900MH1984PLC091326)

Registered office: Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072

Tel: 022-28570781 / 28583333

Website: [www.acmfsl.com](http://www.acmfsl.com) Email id: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)

### NOTICE

**NOTICE** is hereby given that the **THIRTY FOURTH ANNUAL GENERAL MEETING (AGM)** of the Members of Asit C. Mehta Financial Services Limited will be held at the registered office of the Company situated at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072 at 11.00 a.m., on Saturday, 29th September, 2018 to transact the following business: -

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Deena A. Mehta (DIN: 00168992), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W), be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Thirty Ninth Annual General Meeting of the Company to be held in the year 2023, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

**FOR AND ON BEHALF OF THE BOARD**

**Date: 29th May, 2018**

**Place: Mumbai**

**ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

#### REGISTERED OFFICE:

Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072  
CIN: L65900MH1984PLC091326

### NOTES:

1. An Explanatory Statement is annexed hereto, though strictly not required as per Section 102 of the Act relating to the item No. 3, Ordinary Business to be transacted at the Meeting.
2. The Register of Members and Transfer Books of the Company will remain closed from Saturday, 22nd September, 2018 to Saturday, 29th September, 2018 both days inclusive.
3. A Route map showing directions to reach the venue of the 34th AGM is given at the end of the Notice as per the requirement of Secretarial Standards-2 on "General Meeting".
4. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company, carrying voting rights. Further, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

5. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the Meeting.
6. Members/proxies, who attend the meeting, are requested to complete the attendance slip and deliver the same at the registration counter at the meeting venue. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. 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 from time to time.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN and Bank Account details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN and Bank Account details along with a self certified copy of PAN and a cancelled cheque/passbook copy to the Registrar and Share Transfer Agent / Company. Kindly note that in compliance with the SEBI Circular No. SEBI/ HO/MIRSD/DOP1/CIR/P/2018/13 dated 20th April 2018, any transaction involving shares in respect of which PAN/Bank Account details are not registered with the Company shall be subject to enhanced supervision by the Company/Registrar and Share Transfer Agent, which may result in avoidable processing delay.
9. The Securities and Exchange Board of India (SEBI) vide Circular No. LIST/COMP/15/2018-19 dated July 05, 2018 has mandated that securities of listed companies can be transferred only in case of dematerialized form w.e.f. December 05, 2018 onwards. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
10. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days of the Company during business hours up to the date of the Meeting.

11. Electronic copy of the Annual Report for financial year 2017-18 and the Notice of 34th Annual General Meeting (“AGM”) along with Attendance Slip and Proxy Form are being sent to all the Members whose e-mail addresses are registered with the Company’s Registrar and Share Transfer Agents /Depository Participant(s) for communication purposes, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Annual Report for FY 2017-18 and the Notice of 34th AGM along with Attendance Slip and Proxy Form are being sent by the permitted mode. To support the ‘Green Initiative’, the Members who have not registered their e-mail addresses are requested to register the same with the Company’s Registrar and Share Transfer Agents/Depositories.
12. Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, brief profile(s) of the Director (s) who is proposed to be appointed/re-appointed is annexed hereto.

### **13. Process and manner of voting through Electronic Means:**

- i. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, the Company is pleased to provide facility for remote e-voting (i.e. e-voting from a place other than venue of AGM) and the business as set out in this notice may be transacted by the members through such voting. The remote e-voting facility is provided through e-voting platform of Central Depository Services (India) Limited (“CDSL”).
- ii. The facility for voting through poll paper shall also be made available at the AGM. 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.
- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. Members can opt for only one mode of voting, i.e. either by Poll paper or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Form shall be treated as invalid
- v. The members holding shares of the company as on Saturday, 22nd September, 2018 (i.e. the cut-off date) shall be entitled to cast vote either through remote e-voting facility or through poll paper at the venue of the AGM.
- vi. Mrs. Dipti Mehta, Partner, M/s Mehta & Mehta, Practicing Company Secretaries or failing her Ms. Ashwini Inamdar, Partner, M/s Mehta & Mehta, Practicing Company Secretaries or failing her Mr. Atul Mehta, Partner, M/s Mehta & Mehta, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process (including the Poll Paper received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- vii. The results shall be declared on or after the AGM. The results along with the requisite enclosures etc. shall be placed on the website of the Company and will also be forwarded simultaneously to BSE Ltd., where the shares of the Company are listed.
- viii. The process and the manner of voting through remote e-voting facility and time schedule thereof including details about login ID, procedure for generating password and casting of vote in a secure manner is as under:

#### **Time schedule for remote E-voting:**

The voting period begins on Wednesday September 26, 2018 at 9.00 a.m. and will end on Friday, September 28, 2018 at 5.00 p.m. During this period, shareholders’ of the company, holding shares either in physical form or in dematerialized form, as on, 22nd September, 2018 (cut-off date) may cast their vote electronically. The members please note that the remote e-voting shall not be allowed beyond the aforesaid date and time and e-voting module shall be blocked by CDSL for voting thereafter.

**Steps for e-voting:**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders”
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 character DP ID followed by 8 digits Client ID,
  - c. Members holding shares in physical form should enter folio number registered with the company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in De-mat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach the Company selection screen.
 

However, members holding shares in de-mat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN) for “Asit C. Mehta Financial Services Limited” on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed.

If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for Android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store. Please follow the instructions as prompted by the mobile app while voting through your mobile.

**(xviii) Note on Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**FOR AND ON BEHALF OF THE BOARD**

**Date: 29th May, 2018**

**Place: Mumbai**

**ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

**REGISTERED OFFICE:**

Nucleus House,  
Saki- Vihar Road, Andheri (East),  
Mumbai – 400 072  
CIN: L65900MH1984PLC091326



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice:

#### Item 3:

**This explanatory statement is provided though strictly not required as per Section 102 of the Act.**

M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) were appointed as Statutory Auditors of the Company to fill the Casual vacancy at the Extra-Ordinary General Meeting held on 29th November, 2017 until the conclusion of the ensuing Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31st March, 2018.

The Board of Directors has based on the recommendation of the Audit Committee, at its meeting held on May 29, 2018, proposed the appointment of M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the Thirty Ninth (39th) AGM to be held in the year 2023.

M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice, for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

#### Details of Director(s) seeking appointment / re-appointment at the forthcoming Annual General Meeting

Pursuant to Clause 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations

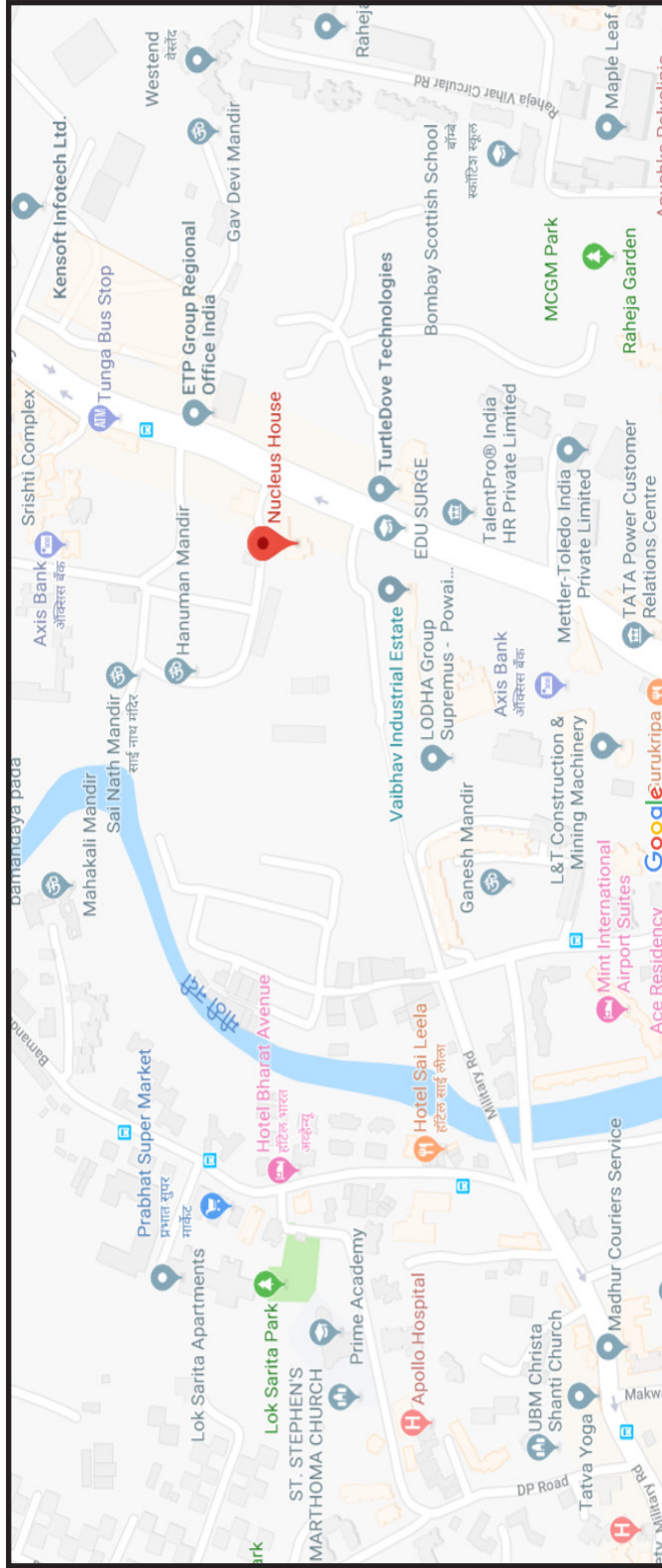
<b>Particulars</b>	<b>Mrs. Deena A. Mehta</b>			
<b>Date of Birth</b>	February 18, 1961			
<b>Date of Appointment</b>	March 25, 1991			
<b>Age</b>	57			
<b>Qualifications</b>	B. Com., ACA, MMS, PG Diploma in Securities Law			
<b>Expertise in specific functional areas</b>	Wide experience of 34 years in Capital Market, Finance and Debt market.			
<b>Remuneration last drawn</b>	Nil (Except sitting fees)			
<b>No. of Meetings of the Board attended during the year.</b>	Held		Attended	
	5		5	
<b>Directorships held in other public companies (excluding foreign companies and Section 8 companies)</b>	1.	Asit C Mehta Investment Intermediates Limited		
	2.	Reliance Asset Reconstruction Company Limited		
	3.	Reliance Home Finance Limited		
	4.	Gandhar Oil Refinery (India) Limited		
	5.	Reliance Commercial Finance Limited		
<b>Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.</b>	<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Type of Committee</b>	<b>Position</b>
	1.	Reliance Home Finance Limited	Audit Committee	Chairperson
	2.	Reliance Commercial Finance Limited	Audit Committee	Member
<b>Number of shares held in the Company</b>	900,358 equity shares of Rs. 10/- each.			
<b>Relationship with other Directors</b>	Mr. Asit C. Mehta	Spouse		

FOR AND ON BEHALF OF THE BOARD

Date: 29th May, 2018  
Place: Mumbai  
REGISTERED OFFICE:  
Nucleus House,  
Saki-Vihar Road, Andheri (East),  
Mumbai – 400 072  
CIN: L65900MH1984PLC091326

ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048

Route Map to the Venue of the Annual General Meeting  
(Venue: Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072)



**DIRECTOR'S REPORT**

Dear Members,

Your Directors present the Thirty Fourth Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2018.

**1. FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31, 2018 is summarized below:

Particulars	Standalone (Rs. In lakhs)		Consolidated (Rs. In lakhs)	
	2017-2018	2016-17	2017-2018	2016-17
Total Revenue	651.69	662.73	4722.16	3941.20
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>505.49</b>	<b>513.19</b>	<b>816.98</b>	<b>717.68</b>
Less: Interest	426.03	386.33	647.87	774.98
Less: Depreciation	136.98	135.67	227.14	221.00
<b>Profit/ (Loss) Before Tax</b>	<b>(57.52)</b>	<b>(8.81)</b>	<b>(58.03)</b>	<b>(278.30)</b>
Tax Expenses				
Current Tax	-	-	-	-
Deferred Tax	1.98	(8.68)	(12.35)	(75.98)
Prior Period tax	(0.06)	0.49	0.05	1.09
<b>Net Profit/ (Loss) after Tax</b>	<b>(59.45)</b>	<b>(17.98)</b>	<b>(70.43)</b>	<b>(355.38)</b>
<b>Other comprehensive</b>	<b>(0.07)</b>	<b>0.29</b>	<b>685.81</b>	<b>53.79</b>
<b>Total comprehensive income</b>	<b>(59.51)</b>	<b>(17.70)</b>	<b>615.38</b>	<b>(301.59)</b>
Appropriations:				
Proposed Dividend	-	-	-	-
Tax on Proposed Dividend	-	-	-	-
Transfer to General Reserve	-	-	-	-
<b>Balance carried to Balance Sheet</b>	<b>(59.51)</b>	<b>(17.70)</b>	<b>615.38</b>	<b>(301.59)</b>
Paid up Equity Share Capital	495.26	495.26	495.26	495.26
EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.)*	(1.23)	(0.37)	(1.46)	(7.35)

\* Basic and Diluted Earnings Per Share is calculated excluding 1,18,985 treasury shares.

**Notes**

- The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April 2017 and accordingly the financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein.
- The consolidated figures include the figures of two subsidiaries for entire year.

**2. DIVIDEND**

In view of the losses, the Directors do not recommend any dividend for the Financial Year 2017-2018.

**3. OPERATIONAL REVIEW/COMPANY'S PERFORMANCE**

On a Standalone basis, the gross earnings reduce to Rs 651.69 lakhs from Rs. 662.73 lakhs. The year ended with a loss after tax of Rs. 59.45 lakhs as compared to loss after tax of Rs 17.98 lakhs in the previous year.

The Company has let out part of the Office premises on Lease/Leave and License basis to external companies including

ICICI Bank Limited. The Company offered advisory and consultancy services to certain clients and earned the fees aggregating to Rs 18.00 lakhs from Advisory and Consultancy Division.

On a consolidated basis, the gross revenues raised at Rs 4722.16 lakhs as compared to Rs 3941.20 lakhs in the previous year and loss after tax was at Rs 70.43 lakhs as against Rs 355.38 lakhs in the previous year.

Nucleus IT Enabled Services Ltd., a wholly-owned subsidiary of the company– engaged in to ITeS services and Income from Operations was reduced to Rs.269.94 Lakhs as compared to Rs.336.71 lakhs in the previous year and the loss before depreciation and finance cost was Rs. 36.78 lakhs as compared to profit before depreciation and finance cost of Rs 29.20 lakhs in the previous year. . The overall loss stood at Rs. 123.25 lakhs as against Rs 90.45 lakhs in the previous year.

#### 4. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has three subsidiaries as on March 31, 2018. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 (“the Act”). There has been no change in the nature of the business of the subsidiaries.

The Company has a wholly owned subsidiary viz. Nucleus IT Enabled Services Limited. Asit C Mehta Investment Intermediates Limited (ACMIIL) is a subsidiary of the Company pursuant to section 2(87) of the Act and material non-listed Indian subsidiary of the Company as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As Asit C. Mehta Comdex Services DMCC, a company incorporated in Dubai, is the wholly owned subsidiary of ACMIIL, it becomes the subsidiary of the Company under section 2(87) of the Act.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Your Company has formulated and adopted a “Policy for determining Material Subsidiaries” so that your company could identify such subsidiaries and formulate governance framework for them. The same is also available on the website of the Company [www.acmfsl.com](http://www.acmfsl.com).

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

#### 5. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was Rs.4,95,25,600/- divided into 49,52,560 equity shares of Rs. 10/- each. There is no change in Equity share Capital of the Company during the year.

#### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### a. Directors

As on the date of this report, Company's Board comprises of 6 (Six) Directors, out of which, 3 (Three) independent directors representing 50% of total strength of the Board and remaining 3 (Three) are Non-Executive Directors (NEDs) represent 50% of the total strength including 1 (one) Woman Director.

##### b. Retirement by Rotation

In accordance with the provisions of the Act, Mrs. Deena A. Mehta, Non-Executive Director of the Company, retires by rotation and being eligible has offered herself for re-appointment.

### c. Independent Directors

Pursuant to the provisions of Section 149 of the Act, Dr. Radha Krishna Murthy and Mr. Pundarik Sanyal were appointed as Independent Directors at the 30th Annual General Meeting of the Company held on September 26, 2014 and Mr. Vjay Ladha, was appointed as Independent Directors at the 31st Annual General Meeting of the Company held on September 24, 2015. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act.

They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances, which may affect their status as Independent Director during the year.

### d. Board Effectiveness

- i. Familiarisation Programme for the Independent Directors: In compliance with the requirement of SEBI LODR Regulations, the Company has put in place a familiarisation programme for the Independent Directors to familiarise them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarisation programme is available on the website of the Company [www.acmfsl.com](http://www.acmfsl.com).
- ii. Evaluation of the performance of the Board, its Committees and the Directors:  
The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- a. Expertise;
- b. Objectivity and Independence
- c. Guidance and support in context of life stage of the Company;
- d. Understanding of the Company's business;
- e. Understanding and commitment to duties and responsibilities;
- f. Willingness to devote the time needed for effective contribution to Company;
- g. Participation in discussions in effective and constructive manner;
- h. Responsiveness in approach;
- i. Ability to encourage and motivate the Management for continued performance and success;

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation. Accordingly a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Directors at their respective meetings held for the purpose

Outcome of the Evaluation: The Board of your Company was completely satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides the Committee's terms of reference, as mandated by law, and important issues are brought up and discussed in the Committee Meetings. The Board was also satisfied with the contribution of Directors, in their respective capacities, which reflects the overall engagement of the Individual Directors. .

### e. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- a. Ms. Mamta Gautam, Chief Financial Officer (CFO) appointed w.e.f. December 14, 2017\*;
- b. Mr. Pankaj Jeevanlal Parmar, Manager
- c. Ms. Meha Singh Sikarwar, Company Secretary

Ms. Purvi Ambani resigned from the position of Chief Financial Officer (CFO) of the Company with effect from December 06, 2017. The Board places on record their deep appreciation and gratitude for the valuable contributions of Ms. Purvi Ambani during her tenure as the KMP of the Company.

\*The aforesaid appointment was approved by the Board on recommendation of the NRC.

**Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Leadership Positions:** Your Company has laid down a well-defined criteria for the selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Leadership Positions. Directors' Remuneration Policy & Criteria for matters under Section 178 Information regarding Directors' Remuneration Policy & Criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act are provided in the section of Corporate Governance Report.

### f. Policy on Directors' Appointment and Remuneration and Other Details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Annual Report.

## 7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors states that:

- a. in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation and there are no material departures from the same.
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2018 and of the profit and loss of the Company for that period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a 'going concern' basis.
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 8. MEETINGS

### a. Board Meetings

Five meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

### **b. Audit Committee**

The Audit Committee comprises three members. The Chairman of the Committee is an Independent Director. The Committee met five times during the year. Details of the role and responsibilities of the Audit Committee, the particulars of meetings held and attendance of the Members at such Meetings are given in the Corporate Governance Report.

## **9. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## **10. AUDITORS**

### **a. Statutory Auditors**

M/s. Chandrakant & Sevantilal, Chartered Accountants (Firm Registration No. 101675W) resigned from the office of Statutory Auditors of the Company on 28th September, 2017 due to their inability to continue as Statutory Auditors, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Act.

M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) were appointed as Statutory Auditors of the Company at the Extra-Ordinary General Meeting held on 29th November, 2017 to fill the casual vacancy until the conclusion of the ensuing Annual General Meeting (AGM) and that they shall conduct the Statutory Audit for the period ended 31st March, 2018.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the Thirty Ninth (39th) AGM to be held in the year 2023.

Members' attention is drawn to a Resolution proposing the appointment of M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) as Statutory Auditors of the Company, which is included at Item No 3 of the Notice convening the Annual General Meeting.

### **b. Secretarial Audit**

The Company has appointed M/s Mehta & Mehta, Company Secretaries, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

## **11. AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT**

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

The Secretarial Audit Report for the FY 2017-18 in Form MR 3 given by M/s. Mehta & Mehta, Company Secretaries in Practice is attached as Annexure I with this report. The Report does not contain any qualifications, reservations or adverse remarks.



**12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Amounts outstanding as at 31st March 2018

(Rs. in lakhs)

Particulars		Amount
Loans given		112.81
Guarantees given		0.00
Investments made		1568.11

Name of Entity	Relation	Amount (in lakhs)	Particulars of Loan/Guarantee/Investments	Purpose
Nucleus IT Enabled Services Ltd	Wholly Owned Subsidiary	112.81	Loan	Business Purpose
Asit C Mehta Investment Intermediates Limited (ACMIL)	Subsidiary	1261.27	Investments	Investment in Equity Shares of the company
Omniscience Capital Advisor Pvt Ltd	None	5.12	Investments	Investments in pref Shares of the company
Nucleus IT Enabled Services Limited (NITES)	Wholly Owned Subsidiary	300.00	Investments	Investment in Equity Shares of the company
Gujarat state Fertilizers & Chemical Ltd	None	1.71	Investments	Investment in Equity Shares of the company

**13. TRANSACTIONS WITH RELATED PARTIES**

The Company has not entered into any material contracts, with the related parties during the year 2017-18 and other contracts or arrangements are in the ordinary course of business and on an arm's length basis, which were approved by the Audit Committee and the Board from time to time. Therefore, there are no particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 to disclose in the prescribed form AOC-2 and may be treated as not applicable.

**14. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Act, and hence it is not required to formulate policy on Corporate Social Responsibility.

**15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with requirements, inter-alia, of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Compliance Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainee) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2017-18:

- No. of complaints received: NIL
- No. of complaints disposed off: NIL

**16. INDIAN ACCOUNTING STANDARDS (IND AS)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated February 16, 2015, has made the application of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) effective for certain categories of companies from accounting periods beginning on April 01, 2017.



The audited financial statements of the Company drawn up both on standalone and consolidated basis for the financial year ended March 31, 2018 are in accordance with the requirements of the Ind-AS Rules. Figures for the previous year have also been re-stated in line with the requirements of the above Rules.

**17. EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

**18. PARTICULARS OF EMPLOYEES**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

The Directors of the Company are not paid any remuneration except the sitting fees. Hence, the ratio of the remuneration of each director to the median remuneration of the employees is **NIL**.

**ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

The Board of the Company consists of Non-executive Directors. The non-executive directors are paid no remuneration except the sitting fees plus reimbursement of actual travel expenses, if any.

There is no increase in the remuneration of Company Secretary, Manager of the Company. However, there was increase in the remuneration of Ms. Purvi Ambani, Chief Financial Officer of the Company to Rs. 19.47 Lakhs as compared to Rs. 18.37 Lakhs in the last year.

**iii. The percentage increase in the median remuneration of employees in the financial year:**

Note that the Company has 1 (One) permanent Employee on the rolls of Company during the Financial Year 2017-18, therefore it is not possible to ascertain the increase in the median remuneration of employees in the financial year .

**iv. The number of permanent employees on the rolls of company:**

The Company has 1 (One) permanent Employee on the rolls of Company as on 31st March, 2018.

**v. The explanation on the relationship between average increase in remuneration and company performance:**

Employee received an annual increase of 6% based on individual performance. The increase in remuneration is in line with the market trends in the country.

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

**vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

(Rs. in lakhs)

Aggregate remuneration of Key Managerial Personal	15.86
Revenue	651.69
Remunerations of KMP (as % of above)	2.43
Profit / Loss before tax	(57.52)
Remunerations of KMP (as % of Profit before tax)	Not computable due to loss

- vii. a. **Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year**

(Rs. in Lakhs)

Particulars	March 31,2018	March 31, 2017	% Change
Market Capitalisation (No. of Shares X Market price)	2575.33*	1139.09	126.09
Price Earning Ratio	NIL	NIL	-

\* As no trading was done from 29.03.2018 to 31.03.2018, therefore Market price of 28.03.2018 is disclosed

- b. **Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:**

(In Rs.)

Particulars	March 2018	24th April 1995 (IPO)	% Increase
Market price (BSE)	52.00	35.00	48.57

- viii. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not Applicable

- ix. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:**

(Rs. in lakhs)

Particulars	Ms. Purvi Ambani*	Ms. Mamta Gautam**	Mr. Pankaj Parmar	Ms. Meha Singh Sikarwar
	Chief Financial Officer	Chief Financial Officer	Manager	Company Secretary
Remuneration in FY 2017-18	12.75	3.11	-	-
Remuneration as % of revenue	1.96	0.48	-	-
Profit / Loss before tax (PBT)	(57.52)	(57.52)	(57.52)	(57.52)
Remuneration as % of PBT	Not computable due to loss	Not computable due to loss	Not computable due to loss	Not computable due to loss

\*Ms. Purvi Ambani resigned from the position of Chief Financial Officer (CFO) of the Company with effect from December 06, 2017.

\*\* Ms. Mamta Gautam, Chief Financial Officer (CFO) appointed w.e.f. December 14, 2017

- x. **The key parameters for any variable component of remuneration availed by the directors:**

No remuneration is paid to the Directors except for the sitting fees. Therefore, there are no variable components availed by any of the Directors of the Company.

- xi. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

The Directors of the Company are not paid any remuneration except the sitting fees, therefore there is no highest paid director in the Company.

**xii. Affirmation that the remuneration is as per the remuneration policy of the company.**

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

**xiii. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

There are no employees who were employed for a part of the financial year or throughout the financial year and are in:

- a. receipt of remuneration which was not less than Rupees sixty lakhs per annum ;
- b. Rupees five lakh per month;
- c. in receipt of remuneration which is in excess of that drawn by Managing Director/Whole-time Director/ Manager and holds by himself or along with his spouse and dependent children two percent or more of the equity shares of the company.

Therefore, the statement containing particulars of employees is not required to be attached.

**19. DISCLOSURE REQUIREMENTS**

- As per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into with the stock exchange, **Corporate Governance Report** with Auditors' Certificate thereon and **Management Discussion and Analysis** are attached, which form part of the Annual Report.
- Details of the Familiarization Programme of the independent directors are available on the website of the Company. ([URL:http://www.acmfsl.com/pdf/Policies/Familiarisation\\_programme\\_for\\_Independent\\_Directors.pdf](http://www.acmfsl.com/pdf/Policies/Familiarisation_programme_for_Independent_Directors.pdf))
- Policy for determining Material Subsidiaries of the Company is available on the website of the Company. ([URL:http://www.acmfsl.com/pdf/Policies/Policy\\_for\\_determination\\_of\\_material\\_subsidary.pdf](http://www.acmfsl.com/pdf/Policies/Policy_for_determination_of_material_subsidary.pdf))
- Policy on Dealing with Related Party Transactions is available on the website of the Company. ([URL: http://www.acmfsl.com/pdf/Policies/Related\\_Party\\_Transactions\\_Policy.pdf](http://www.acmfsl.com/pdf/Policies/Related_Party_Transactions_Policy.pdf) )
- The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ([URL: http://www.acmfsl.com/pdf/Policies/Whistle\\_Blower\\_Policy.pdf](http://www.acmfsl.com/pdf/Policies/Whistle_Blower_Policy.pdf) )

**20. DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**Conservation of Energy**

The operations of your company involved low energy consumption. Energy conservation efforts are being pursued on a continuous basis. Close monitoring of power is maintained to minimize wastage and facilitate optimum utilization of energy.

Your Company has installed Roof-Top Solar PV system at the registered office of the Company in March, 2017. Installation of 25kw capacity of system will result in energy saving of 37,500 kwh approx.

**Technology Absorption**

During the year under review, there is no technology absorption. The company has neither imported any technology nor incurred any expenditure on research and development of technology.

**Foreign Exchange Earnings and Outgo**

During the year under review, there are no foreign exchange earnings or outgo

**22. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

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

**23. ORDER PASSED BY REGULATOR OR COURTS OR TRIBUNALS**

There are no Material orders passed by the regulator or courts or tribunals against the company impacting its status as going concern and on its operations.

**24. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application during the year under review.

**25. ACKNOWLEDGEMENT**

The Directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The Directors also thank the Government of India, the Governments of various states in India and concerned Government Departments / Agencies for their co-operation.

The Directors appreciate and value the contributions made by every member of the team of Asit C. Mehta Financial Services Ltd.

**FOR AND ON BEHALF OF THE BOARD**

**29th May, 2018  
Mumbai**

**ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

**Annexure I**

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Asit C. Mehta Financial Services Limited**  
Nucleus House  
Saki-Vihar Rd.,  
Andheri (E),  
Mumbai- 400072

We have conducted the secretarial audit of the compliance of applicable statutory provisions and good corporate governance practices by Asit C. Mehta Financial Services Limited (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 verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officer, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, 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 the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing (during the year under review not applicable to the Company);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (during the year under review not applicable to the Company);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the year under review not applicable to the Company);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the year under review not applicable to the Company);

- f) 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the year under review not applicable to the Company); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the year under review not applicable to the Company);

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India for the period from 1st April 2017 to 30th September, 2017 and Revised Secretarial Standards for the period from 1st October, 2017 to 31st March, 2018;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The Company is in the business of providing advisory and consultancy services on Fund mobilization and restructuring of Companies and renting vacant properties. As per the representation made by the Company, the business activities of the Company are not regulated by any authority, hence, we cannot comment on the same.

During the period under review, the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above.

### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board are carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meetings of the Board and any of its committee.

We further 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 was no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

**For Mehta & Mehta,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)**

**Atul Mehta  
Partner  
FCS No : 5782  
CP No. : 2486**

Place : Mumbai  
Date : May 29, 2018

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

**Annexure A**

To,  
The Members,  
**Asit C Mehta Financial Services Limited**  
Nucleus House  
Saki-Vihar Rd.,  
Andheri (E),  
Mumbai- 400072

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. Where ever 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 Mehta & Mehta,  
Company Secretaries,  
(ICSI Unique Code P1996MH007500)**

**Atul Mehta  
Partner  
FCS No : 5782  
CP No. : 2486**

**Annexure II**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2018

[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:**

1. CIN: L65900MH1984PLC091326
2. Registration Date: January 25, 1984
3. Name of the Company: Asit C. Mehta Financial Services Limited
4. Category/Sub-category of the Company: Company Limited by Shares/ Indian Non-Government Company
5. Address of the Registered office & contact details  
Nucleus House, Saki- Vihar Road, Andheri (East), Mumbai: 400072  
Tel. No.:022-28570781/28583333  
Email id: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)  
Website: [www.acmfsl.com](http://www.acmfsl.com)
6. Whether listed company: Yes Listed only on BSE Ltd.
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.  
Link Intime India Pvt. Ltd., C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.  
Phone no:022- 4918 6270 Fax no.:022-4918 6060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**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)**

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Rental Income	68100	93.20

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Asit C Mehta Investment Intermediates Limited (ACMIL) Nucleus House, 5th Floor, Saki-Vihar Road, Andheri (East), Mumbai: 400072	U65990MH1993PLC075388	Subsidiary	49.17%	2(87)
2.	Nucleus IT Enabled Services Limited (NITES) Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072	U2900MH2008PLC182793	Wholly owned subsidiary	100%	2(87)
3.	Asit C Mehta Comdex Services (DMCC) Unit No. 14, Floor 9, Bldg No.2, DMCC, Dubai, UAE.	Registration Number: 0677	Subsidiary	100 % (by ACMIL)	2(87)



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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

#### (a). Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April -2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	32,79,416	0	32,79,416	66.22	32,79,516	0	32,79,516	66.22	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,14,370	0	4,14,370	8.37	4,14,370	0	4,14,370	8.37	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>36,93,786</b>	<b>0</b>	<b>36,93,786</b>	<b>74.58</b>	<b>36,93,886</b>	<b>0</b>	<b>36,93,886</b>	<b>74.59</b>	<b>0</b>
(2) Foreign									
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2): -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>36,93,786</b>	<b>-</b>	<b>36,93,786</b>	<b>74.58</b>	<b>36,93,886</b>	<b>0</b>	<b>36,93,886</b>	<b>74.59</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1): -	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,62,966	2,500	1,65,466	3.34	1,62,592	2,500	1,65,092	3.33	(0.23)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	325,268	125,082	450,350	9.09	266,072	123,582	389,654	7.87	(13.48)

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April -2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5,92,185	-	5,92,185	11.96	6,35,502	-	6,35,502	12.83	7.31
c) Others (specify)									
Qualified Foreign Investor (Individual & Corporate)	-	-	-	-	-	-	-	-	-
Clearing Member	9,541	-	9,541	0.19	1,753	-	1,753	0.04	(81.63)
Foreign Portfolio Investor (Individual & Corporate)	-	-	-	-	-	-	-	-	-
Market Maker	-	-	-	-	-	-	-	-	-
Office Bearers	-	-	-	-	-	-	-	-	-
NRI's (Repatriable)	1,005	-	1,005	0.02	1,005	-	1,005	0.02	-
NRI's (Non-Repatriable)	11,511	-	11,511	0.23	11,511	-	11,511	0.23	-
Holding Company	-	-	-	-	-	-	-	-	-
HUF	28,716	-	28,716	0.58	54,157	-	54,157	1.09	88.60
Trusts	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2): -</b>	<b>11,31,192</b>	<b>1,27,582</b>	<b>12,58,774</b>	<b>25.42</b>	<b>1,132,592</b>	<b>1,26,082</b>	<b>12,58,674</b>	<b>25.41</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>11,31,192</b>	<b>1,27,582</b>	<b>12,58,774</b>	<b>25.42</b>	<b>1,132,592</b>	<b>1,26,082</b>	<b>12,58,674</b>	<b>25.41</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>48,24,978</b>	<b>1,27,582</b>	<b>49,52,560</b>	<b>100</b>	<b>48,26,478</b>	<b>1,26,082</b>	<b>49,52,560</b>	<b>100</b>	<b>-</b>

**(b). Shareholding of Promoters**

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2017)			Shareholding at the end of the year (As on 31-03-2018)			% 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	Asit C. Mehta	22,84,138	46.12	0	22,91,638	46.27	0	0.33
2	Deena A. Mehta	9,00,358	18.18	0	900,358	18.18	0	No change
3	Asit C. Mehta Commodity Services Limited	4,00,470	8.09	0	400,470	8.09	0	No change
4	Asit C Mehta HUF	77,000	1.55	0	77,000	1.55	0	No change
5	Asit C. Mehta Forex private Limited	13,900	0.28	0	13,900	0.28	0	No change
6	Aditya Asit Mehta	7,400	0.15	0	0	0.00	-	(100.00)
7	Jayesh Desai HUF	7,120	0.14	0	7,120	0.14	0	No change
8	Gopa Jayesh Desai	1,900	0.04	0	1,900	0.04	0	No change
9	Rupa Atul Shah	1,500	0.03	0	1,500	0.03	0	No change
	<b>Total</b>	<b>36,93,786</b>	<b>74.58</b>	<b>0</b>	<b>36,93,886</b>	<b>74.59</b>	<b>0</b>	<b>0.003</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### (c). Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	DP ID Client ID/ Folio	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Remarks
					No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	120132000000023	Asit C. Mehta	01-Apr-2017	at the beginning of the year	2,284,138	46.12	2,284,138	46.12	
			23-Jun-2017	Transfer	7500		2,291,638	46.27	
			31-Mar-2018	at the end of the year	2,291,638	46.27			
2.	120132000000019	Deena A. Mehta	01-Apr-2017	at the beginning of the year	900,358	18.18	900,358	18.18	
			31-Mar-2018	at the end of the year					
3.	1201320001703896	Asit C. Mehta Commodity Services Limited	01-Apr-2017	at the beginning of the year	400,470	8.09	400,470	8.09	
			31-Mar-2018	at the end of the year			400,470	8.09	No Change
4.	1201320000576191	Asit C Mehta HUF	01-Apr-2017	at the beginning of the year	77,000	1.55	77,000	1.55	
			31-Mar-2018	at the end of the year			77,000	1.55	No Change
5.	1201320000005775	Asit C. Mehta Forex private Limited	01-Apr-2017	at the beginning of the year	13,900	0.28	13,900	0.28	
			31-Mar-2018	at the end of the year			13,900	0.28	No Change
6.	1201320000007597	Aditya Asit Mehta	01-Apr-2017	at the beginning of the year	7,400	0.15	7,400	0.15	
			16-Jun-2017	Transfer	(7400)		0	0.00	
			31-Mar-2018	at the end of the year	0	0.00			
7.	1201320001087905	Jayesh Desai HUF	01-Apr-2017	at the beginning of the year	7,120	0.14	7,120	0.14	
			31-Mar-2018	at the end of the year			7,120	0.14	No Change
8.	1201320000334594	Gopa Jayesh Desai	01-Apr-2017	at the beginning of the year	1,900	0.04	1,900	0.04	
			31-Mar-2018	at the end of the year			1,900	0.04	No Change
9.	1302340000293910	Rupa Atul Shah	01-Apr-2017	at the beginning of the year	1500	0.03	1,500	0.03	
			31-Mar-2018	at the end of the year	-	-	1,500	0.03	No Change

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**
**(d). Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2017)/ end of the year (31-03-2016)		Date	Increase & Decrease	Cumulative Shareholding during the year (31-03-2018)	
		No of Shares	% of total Shares of the Company			No of Shares	% of total Shares of the Company
1.	Trupti Ketan Karani (IN30027110093659 & 1204510000007069)	157,333	3.18	1-Apr-17			
				08- Sep- 17	1,734	159,067	3.21
				15- Sep-17	2,448	161,515	3.26
				13- Oct -17	1,440	162,955	3.29
				20- Oct-17	1,625	164,580	3.32
				27- Oct-17	18,405	182,985	3.69
				02-Mar-18	(152,776)	30,209	0.61
				09-Mar-18	113,314	143,523	2.90
				16- Mar-18	(4,557)	138,966	2.81
				31- Mar-18	92,323	231,289	4.67
		231289	4.67	31-Mar-18			
2.	Ketan Jayantilal Karani (1204510000007054 & IN30027110174681)	109,478	2.21	1-Apr-17			
				21- Apr-17	503	109,981	2.22
				28- Apr-17	8,106	118,087	2.38
				05-May-17	15,010	133,097	2.69
				12-May-17	14,926	148,023	2.99
				27-Oct-17	4,196	152,219	3.07
				03-Nov-17	6,762	158,981	3.21
				10-Nov-17	975	159,956	3.23
				17-Nov-17	2,714	162,670	3.28
				09-Mar-18	44,898	207,568	4.19
				16-Mar-18	17,234	224,802	4.54
				23-Mar-18	(220,998)	3,804	0.08
				31- Mar-18	196,471	200,275	4.04
		200,275	4.04	31-Mar-18			
3.	Purvi Ramesh Ambani (1301190100041937)*	118985	2.40	1-Apr-17	Nil movement during the year	118985	2.40
		118985	2.40	31-Mar-18			
4.	Suman Marble Industries Private Limited (IN30014210381532)	50,000	1.01	1-Apr-17	Nil movement during the year		
		50,000	1.01	31-Mar-18			
5.	Ravi Navratn Jain (1201320000335657)	40,100	0.81	1-Apr-17			
				09-Mar-18	9,000	49,100	0.99
				16-Mar-18	(17,319)	31,781	0.64
		31,781	0.64	31-Mar-17			
6.	Balmukund Investment Company Private Limited (1201320000005756)	27,500	0.56	1-Apr-17	Nil movement during the year		
		27,500	0.56	31-Mar-18			

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

SN	Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2017)/ end of the year (31-03-2016)		Date	Increase & Decrease	Cumulative Shareholding during the year (31-03-2018)	
		No of Shares	% of total Shares of the Company			No of Shares	% of total Shares of the Company
7.	Ketan Jayantilal Karani (HUF) (1204510000006329)	0	0.00	1-Apr-17			
				14-Apr-17	5,075	5,075	0.10
				21-Apr-17	4,603	9,678	0.20
				10-Nov-17	1,000	10,678	0.22
				01-Dec-17	6,000	16,678	0.34
				08-Dec-17	2,295	18,973	0.38
				15-Dec-17	2,460	21,433	0.43
				22-Dec-17	250	21,683	0.44
				29-Dec-17	2M980	24,663	0.49
				12-Jan-18	1,378	26,041	0.53
				19-Jan-18	1,150	27,191	0.55
		27,191	0.55	31-Mar-18			
8.	Nichi Investment Company Private Limited (1201320000005737)	27,000	0.55	1-Apr-17	Nil movement during the year	27,000	0.55
		27,000	0.55	31-Mar-18			
9.	Kirit Himatlal Vora (120132000000456)	23,520	0.47	1-Apr-17	Nil movement during the year	23,520	0.47
		23,520	0.47	31-Mar-18			
10.	Vippy Spinpro Limited (IN30154917194103)	20,000	0.40	1-Apr-17	Nil movement during the year		
		20,000	0.40	31-Mar-18			
11.	Vipul Rasiklal Shah (1201320000334425)**	22,977	0.46	1-Apr-17	Nil movement during the year		
				08-Sep-17	23	23,000	0.46
				20-Oct-17	(6,743)	16,257	0.33
				27-Oct-17	(3,000)	13,257	0.27
				10-Nov-17	(100)	13,157	0.27
				24-Nov-17	(3,157)	10,000	0.20
				10,000	0.20	31-Mar-18	
12.	Anshul Ketan Karani (1204510000007639)**	53,465	1.08	1-Apr-17			
				08-Sep-17	1,750	55,215	1.11
				15-Sep-17	650	55,865	1.13
				13-Oct-17	1,400	57,265	1.16
				20-Oct-17	4,236	61,501	1.24
				17-Nov-17	1,100	62,601	1.26
				24-Nov-17	6,308	68,909	1.39
				29-Dec-17	1,412	70,321	1.42
				05-Jan-18	1,053	71,374	1.44
				12-Jan-18	2,040	73,414	1.48
				19-Jan-18	3,236	76,650	1.55
				23-Feb-18	68	76,718	1.55
		02-Mar-18	4,953	81,671	1.65		

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

SN	Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2017)/ end of the year (31-03-2016)		Date	Increase & Decrease	Cumulative Shareholding during the year (31-03-2018)	
		No of Shares	% of total Shares of the Company			No of Shares	% of total Shares of the Company
				09-Mar-18	(50,000)	31,671	0.64
				16-Mar-18	21,142	52,813	1.07
				23-Mar-18	4,557	57,370	1.16
				30-Mar-18	(57,370)	0	0.00
		0	0.00	31-Mar-18			

\* Ms. Purvi Ramesh Ambani holds share in her capacity as trustee of Nucleus Stock Trust.

\*\*Ceased to be in the list of Top 10 shareholders as on 31-03-2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017.

### V. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Director and each Key Managerial Personnel	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
1.	Asit Chimanlal Mehta	2,284,138	46.12	2,291,638	46.27
2.	Deena Asit Mehta	900,358	18.18	900,358	18.18
3.	Kirit Himatlal Vora	23,520	0.47	23,520	0.47
4.	Radha Krishna Murthy	1,000	0.02	1,000	0.02
5.	Pundarik Sanyak	-	-	-	-
6.	Vijay Ladha	-	-	-	-
7.	Mamta Gautam (CFO)*	-	-	-	-
8.	Pankaj Jeevanlal Parmar (Manager)	350	0.01	350	0.01
9.	Meha Singh Sikarwar (Company Secretary)	-	-	-	-

\* Ms. Mamta Gautam, Chief Financial Officer (CFO) appointed w.e.f. December 14, 2017

### VI. INDEBTEDNESS

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

(Rs. In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3352.01	215.00	-	3567.01
ii) Interest due but not paid	-	67.46	-	67.46
iii) Interest accrued but not due	-	22.09	-	22.09
<b>Total (i+ii+iii)</b>	<b>3352.01</b>	<b>304.55</b>	<b>-</b>	<b>3656.56</b>

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
* Addition	1826.94	46.83	-	1873.77
* Reduction	1423.58	330.89	-	1754.47
Net Change	403.36	284.06	-	119.3
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3755.37	0.00	-	3755.37
ii) Interest due but not paid	-	0.00	-	0.00
iii) Interest accrued but not due	-	20.49	-	20.49
<b>Total (i+ii+iii)</b>	<b>3755.37</b>	<b>20.49</b>		<b>3755.86</b>

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

(Rs.in lakhs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager
		Mr. Pankaj Jeevanlal Parmar Manager
1.	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
5.	Others, please specify	-
	<b>Total (A)</b>	-
	Ceiling as per the Act	-

**B. Remuneration to other directors**

(Rs. in thousands)

SN.	Particulars of Remuneration	Fees for Attending Board / Committee Meetings	Commission	Others pls specify	Total Amount
<b>1.</b>	<b>Independent Directors</b>				
	Mr. Vijay Ladha	67.50	---	----	67.50
	Mr. Radha Krishna Murthy	67.50	---	--	67.50
	Mr. Pundarik Sanyal	27.00	--	--	27.00
	<b>Total (1)</b>	<b>162.00</b>	<b>--</b>	<b>--</b>	<b>162.002</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

SN.	Particulars of Remuneration	Fees for Attending Board / Committee Meetings	Commission	Others pls specify	Total Amount
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	Mr. Asit Mehta	45.00	--	--	45.00
	Mrs. Deena Mehta	45.00	--	--	45.00
	Mr. Kirit Vora	67.50	--	--	67.50
	<b>Total (2)</b>	<b>157.50</b>	<b>--</b>	<b>--</b>	<b>157.50</b>
	<b>Total (B)=(1+2)</b>	<b>319.50</b>	<b>--</b>	<b>--</b>	<b>319.50</b>
	<b>Total Managerial Remuneration</b>	<b>319.50</b>	<b>--</b>	<b>--</b>	<b>319.50</b>
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	N.A.			

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

(Rs. in lakhs)

SN	Particulars of Remuneration	Key Managerial Personnel			Total
		Ms. Purvi Ambani (Chief Financial Officer)*	Ms. Mamta Gautam (Chief Financial Officer)**	Ms. Meha Singh Sikarwar (Company Secretary)	
1	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.75	3.11	-	15.86
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>12.75</b>	<b>3.11</b>	<b>-</b>	<b>15.86</b>

\*Ms. Purvi Ambani resigned from the position of Chief Financial Officer (CFO) of the Company with effect from December 06, 2017.

\*\* Ms. Mamta Gautam, Chief Financial Officer (CFO) appointed w.e.f. December 14, 2017

### VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.



**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company earns revenues from letting out of properties to group and other concerns and income from dividends / interest. The Company also operates through its wholly owned Indian subsidiary and a subsidiary. The thrust of the business is to hold strategic control / investment in group companies. The Company also provides Advisory and Consultancy Services and earned gross income of Rs 18 lakhs from Advisory and Consultancy Services during the year under review.

Nucleus IT Enabled Services Ltd (NITES), the wholly owned Indian subsidiary is engaged into ITeS / BPO services and Asit C. Mehta Investment Intermediates Ltd. (ACMIL), the material subsidiary of the Company is engaged into Stock broking, depository and allied services.

The top line performance of NITES for the year 2017-18 includes gross income of Rs. 272.95 lakhs as against Rs. 395.60 lakhs in the previous year. The Company reported a loss after tax of Rs. 123.25 lakhs as against Rs. 90.45 lakhs in the previous year. There is a reduction in revenue from operations hence, the Company has incurred the loss. The Company operates into BFSI (banking, financial services & insurance) segment – mainly into insurance industry services.

The top line performance of ACMIL for the year 2017-18 was better as compared to last year. Company has reported gross income of Rs. 4082.27 lakhs as against the Rs. 3226.55 lakhs in previous year. The company has reported profit after tax of Rs. 103.74 lakhs as against loss after tax of Rs. 232.24 lakhs in the previous year. The company provides investment related services over various asset classes and by various channels. The company has provided certain write off of constituent balances towards depository charges.

**Financial Performance:**

- A) Consolidated Financial Results for the year ended 31st March 2018 as shown in Table below is of the Company, its wholly-owned subsidiary (NITES) and material subsidiary (ACMIL).  
Summarized Consolidated financials

(Rs. in lakhs)

Segment Revenue			Segment Results Profit/(Loss) after depreciation and interest		
	2017-18	2016-17		2017-18	2016-17
ITeS	260.05	318.61	ITeS	35.47	40.85
Investments Activities	353.82	278.35	Investments Activities	121.49	58.36
Advisory and Consultancy	18.00	90.00	Advisory and Consultancy	(32.83)	37.45
Stock Broking and allied services	3,842.95	2,957.34	Stock Broking and allied services	218.38	63.11
Unallocable	247.33	63.11	Unallocable	0	0

**B) Standalone Financial Results:**

The following table gives an overview of the Standalone Financials of the Company (Unconsolidated):

(Rs. in lakhs)

Particulars	2017-18	2016-17
Revenues from Operations	625.38	640.29
Other Income	26.30	22.45
Total Revenue	651.69	662.73
Total Expenditure	709.21	671.54
Profit or (loss) Before Tax	(57.52)	(8.81)
Profit or (loss) After Tax	(59.45)	(17.98)

\*The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April 2017 and accordingly the financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein.

The Share Capital remained unchanged. The Networth of the Company (Calculated on an IND AS basis) decreased from Rs. 4013.39 lakhs to Rs. 3951.80 lakhs. The Bank term loans borrowing stood at Rs 3755.37 Lakhs as at March 31, 2018 from 3339.12 Lakhs at March 31, 2017.

### **Opportunities, Threats, risks and concerns**

The Company's income mainly comprises of rents and advisory charges. The company will be affected as per the impact on the investee companies that are held by it as investments. Demand for rental properties and supply of the same in and around its properties will impact its revenues accordingly. Also, slowdown in the growth of Indian economy and /or volatility in the financial market could adversely affect the performance.

The Company is actively pursuing its efforts to generate more income from Advisory and Consultancy Services. Demand for the Company's services emanate from entities seeking growth money or structuring of new projects etc. Risks associated with the Advisory and Consultancy Services includes competition from unorganised advisors, employees' attrition, incorrect project assessments etc.

The performance of its wholly owned subsidiary – Nucleus IT Enabled Services Ltd (formerly Nucleus GIS And ITES Ltd) which is engaged into ITeS Services would depend on the growth of BFSI industry. The WOS operates in BFSI vertical (mainly insurance) which represents a mature and large BPO market opportunity. Though the market continues to be competitive, the Company believes that business opportunities exist as it has competitive advantage due to domain expertise in the relevant business segment. Marketing efforts made in previous periods have started yielding results.

The outlook of the Subsidiary ACMIIL would largely depend on the status of markets, economy, investment habits and preferences of the investing population, company's own offerings and competitive position in the industry. The subsidiary extensively operates in the Capital Market and is subject to extensive regulation. Besides, it continues to witness intense competition, fall in the brokerage rates and technological obsolescence.

Current developments in the country on economic and political fronts coupled with those in the international market downturn are likely to improve the outlook for the industry in India.

### **Internal Control systems and their adequacy**

The Company continues to have in place adequate and proper systems of internal control commensurate with the nature and size of its operations. The Company also continues to avail the services of external firm for conducting internal audits at periodic intervals. The Audit Committee meets at regular intervals and reviews inter alia the internal checks and their accuracy.

### **Human Resources**

The relations with the employees (including that of its subsidiary) remained cordial.

### **Cautionary Statement**

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

**CORPORATE GOVERNANCE REPORT**
**COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines of the land. The company's philosophy on corporate governance is to achieve objectives of the enterprise through ethical business conduct. It also includes building partnerships with all stakeholders, employees, customers, vendors, service providers, local communities and government. During the year under review, the Board continued its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans.

**I. BOARD OF DIRECTORS**
**A. Composition of Board**

As on 31st March, 2018, the Company has six Directors. Of the six directors, three are Non-Executive Directors and three are Independent Directors. The company has a Non-Executive Chairman and the number of Independent Directors is more than one third of the total number of Directors. The company is in conformity with Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. – i.e. not less than fifty percent of the Board of Directors comprises of non-executive directors with at least one woman director.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director.

The Chairman is primarily responsible for ensuring that the Board provides effective governance to the company and in doing so presides over meetings of the Board and shareholders of the company. The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015– and Section 149 of the Act.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2018 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only Audit Committee and Stakeholders' Relationship Committee.

Name & Designation	Category	No. of Board Meetings Attended during the year 2017-18		No. of Directorships in other companies	Relationship with other Directors	No. of Committee positions held in Other companies		Attendance at the AGM held on 31/08/2017
		Held	Attended			Member	Chairman	
Mr. Asit C. Mehta Chairman DIN: 00169048	Promoter and Non-Executive	5	5	1	Spouse of Mrs. Deena A. Mehta	1	NIL	Yes
Mrs. Deena A. Mehta, Director DIN: 00168992	Promoter and Non-Executive	5	5	5	Spouse of Mr. Asit C. Mehta	1	1	Yes
Mr. Kirit H. Vora, Director DIN: 00168907	Non-Executive	5	5	1	-	NIL	NIL	Yes
Mr. Vijay Ladha, Director DIN: 00168663	Independent	5	5	NIL	-	NIL	NIL	No

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Name & Designation	Category	No. of Board Meetings Attended during the year 2017-18		No. of Directorships in other companies	Relationship with other Directors	No. of Committee positions held in Other companies		Attendance at the AGM held on 31/08/2017
		Held	Attended			Member	Chairman	
Dr. Radha Krishna Murthy, Director DIN: 00221583	Independent	5	4	NIL	-	NIL	NIL	Yes
Mr. Pundarik Sanyal Director, DIN: 01773295	Independent	5	3	4	-	1	2	Yes

### B. Directors' Profile:

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

Name of the Directors	Mr. Asit C. Mehta	Mrs. Deena A. Mehta	Mr. Kirit H. Vora	Mr. Vijay Ladha	Dr. Radha Krishna Murthy	Mr. Pundarik Sanyal
Date of Birth	24th August 1959	18th February, 1961	26th December, 1958	15th August, 1959	22nd August, 1953	28th January, 1950
Date of Appointment	1st April, 2001	25th March, 1991	4th March, 1992	29th October, 2002	31st January, 2006	31st July, 2014
Expertise /Experience in specific functional areas	Corporate Debt, Inter-bank, Forex Broking, Investment Banking, Portfolio management, Stock Broking.	Wide experience in Capital Market, Finance, Human Resource Management and General Management	Wide experience of more than 34 years in, Financial Services sector	Wide experience in the field of Commerce and Finance	Specialized in the field of Industrial Relations, Labour Laws and Human Resources Management	Wide experience of more than 34 years in Banking and Finance.
Qualification	Chartered Accountant (CA), PG diploma in securities Law	B.Com, FCA, MMS, PG Diploma in Securities Law	B. Com., ACA, PG Dip in Securities Law	B.Com, FCA	B.Sc, LLB, MMS, PhD in Management.	B.Sc Tech
No. & % of Equity shares held	2,291,638 46.27%	900,358 18.18%	23,520 0.47%	NIL	1,000 0.02%	NIL
List of outside Company's directorship held	1. Asit C Mehta Investment Intermediates Limited 2. Asit C Mehta Forex Private Limited 3. Asit C. Mehta Real Estate services Limited 4. Asit C. Mehta Comdex Services, DMCC – Dubai 5. ACM Commodity Services Pvt. Ltd.	1. Asit C. Mehta Investment Intermediaries Limited 2. Reliance Asset Reconstruction Company Ltd 3. Reliance Home Finance Limited 4. Reliance Commercial Finance Limited 5. Gandhar Oil Refinery (India) Limited 6. NMIMS Business School Alumni Association 7. Asit C. Mehta Comdex Services, DMCC	1. Asit C. Mehta Investment Intermediaries Limited 2. Securities Industry Association of India 3. Asit C Mehta Forex Private Limited 4. Balmukund Investment Company Private Limited 5. Asit C. Mehta Comdex Services, DMCC – Dubai 6. ACM Commodity Services Pvt. Ltd. 7. Tipstop Software Pvt. Ltd. 8. Edgytal Digital Marketing Pvt. Ltd.	1. Fourell Appliances Private Limited	1. Mega Ace Consultancy (India) Private Limited	1. Ashapura Minechem Limited 2. Orient Abrasives Limited 3. Asit C. Mehta Investment Intermediates Limited 4. Kanchansobha Finance Private Limited 5. Corpbank Securities Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Audit Committee	Audit Committee	1. Audit Committee 2. Nomination & Remuneration Committee	Nomination & Remuneration Committee

### C. Meetings of the Board

1. Five board meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are 20th May, 2017, 13th September, 2017, 27th October, 2017, 14th December, 2017 and 8th February, 2018.

The necessary quorum was present for all the meetings.

2. The information as mentioned in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration.
3. The terms and conditions of appointment of the Independent Directors and the familiarization programme of the Company for its Independent Directors are disclosed on the website of the Company viz. [www.acmfsl.com](http://www.acmfsl.com)
4. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole.
5. The Board periodically reviews compliance reports of all laws applicable to the Company.

## II. COMMITTEES OF THE BOARD

### A. **Audit committee**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

#### 1. Terms of Reference of Audit Committee:

The terms of reference of the audit committee are broadly as under:

- 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;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' 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 Act.
  - 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
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;

- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- To look into the reasons for substantial defaults, if applicable, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- 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;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- To mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
  - f. statement of deviations:
- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## **2. COMPOSITION OF AUDIT COMMITTEE:**

As on March 31, 2018, the committee consists of 3 (three) members. All the members of the Audit Committee possess financial/accounting expertise.

As on March 31, 2018, the Audit Committee comprises of the following members of the Board:

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Position</b>	<b>Category</b>
1.	Mr. Vijay Ladha	Chairman	Independent & Non-Executive
2.	Mr. Kirit Vora	Member	Non-Executive
3.	Dr. Radha Krishna Murthy	Member	Independent & Non-Executive

**3. MEETINGS OF THE AUDIT COMMITTEE**

Five Audit Committee Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

20th May, 2017, 13th September, 2017, 27th October, 2017, 14th December, 2017 and 8th February, 2018.

The necessary quorum was present for all the meetings.

The details of the number of meetings held and attended by its members are given below:

<b>Members of the Audit Committee</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Vijay G. Ladha	5	5
Dr. Radha Krishna Murthy	5	4
Mr. Kirit H Vora	5	5

Besides the above meetings, another meeting of the Audit Committee was held on 29th May, 2018 at which the Audited Accounts for the year ended 31st March, 2018, were placed for the review.

The Audit Committee invites the Chairman, the Chief Financial Officer, Manager, representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

The minutes of the Audit Committee Meetings are placed before the Board. The Chairman of the Audit Committee briefs the Board Members about the significant discussions and the decisions taken at Audit Committee meetings.

**B. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013

**1. TERMS OF REFERENCE:**

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, Key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- 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 of directors their appointment and removal.

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**2. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of three Directors, all of them being Non-Executive Directors with at least fifty percent of the directors are Independent Directors.

The committee comprises the following members:

<b>Name of the Member</b>	<b>Position</b>	<b>Category</b>
Dr. Radha Krishna Murthy	Chairman	Independent & Non-Executive
Mr. Asit C. Mehta	Member	Non-Executive
Mr. Pundarik Sanyal	Member	Independent & Non-Executive

The Committee's constitution and terms of reference are in compliance with provisions of the Act and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**3. MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:**

The Committee during the year ended March 31, 2018 had 2(Two) meetings on 20th May, 2017 and 14th December, 2017.

The details of the number of meetings held and attended by its members are given below:

<b>Members of the Nomination and Remuneration Committee</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Dr. Radha Krishna Murthy	2	2
Mr. Asit C. Mehta	2	2
Mr. Pundarik Sanyal	2	1

The company does not have any employee stock option scheme.

**4. NOMINATION AND REMUNERATION POLICY**

The Company has formulated a policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company. The policy acts as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

The Policy is available on Company's website viz. [www.acmfsl.com](http://www.acmfsl.com)

**5. REMUNERATION TO DIRECTORS**

The Board of the Company consists of only Non-executive Directors. The Non-Executive Directors and the Independent Directors are paid only sitting fees plus reimbursement of actual travel expenses, if any, for attending the Board and Committee meetings.



**i. Details of total sitting fees paid to Non-Executive and Non-Executive Independent Directors for the year ended March 31, 2018**

Sr. No.	Name of the Director	Category	Sitting Fees
1.	Mr. Asit Mehta	Non-Executive Director	Rs 45,000/-
2.	Mrs. Deena Mehta	Non-Executive Director	Rs 45,000/-
3.	Mr. Kirit Vora	Non-Executive Director	Rs 67,500/-
4.	Mr. Vijay Ladha	Independent Director	Rs 67,500/-
5.	Dr. Radha Krishna Murthy	Independent Director	Rs 67,500/-
6.	Mr. Pundarik Sanyal	Independent Director	Rs 27,000/-

**ii. Details of equity shares of the Company held by the Directors as on March 31, 2018 are given below:**

Sr. No.	Name if the Director	Number of Equity Shares
1.	Mr. Asit Mehta	22,91,638
2.	Mrs. Deena Mehta	9,00,358
3.	Mr. Kirit H. Vora	23,520
4.	Mr. Radha Krishna Murthy	1,000

**C. Stakeholders' Relationship Committee**

The Company have a Stakeholders' Relationship Committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc.

Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

No meeting of the Stakeholders' Relationship Committee was held during the year 2017-18.

The members of the committee are given below:

Name	Designation	Category
Mrs. Deena Mehta	Chairperson	Non-executive Director
Mr. Kirit Vora	Member	Non-executive Director

**Compliance Officer**

- Ms. Meha Singh Sikarwar is Company Secretary and Compliance Officer of the Company.

Details of investor complaints received and redressed during the year 2017-18 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
NIL	1	1	NIL

### III. RISK MANAGEMENT POLICY

Pursuant to Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision in respect of forming Risk Management Committee is not applicable to the Company. However, the Company also has in place a mechanism to inform Board about the risk assessment and minimisation procedures and periodical review to ensure that executive management controls risk through means of a properly defined framework.

### IV. GENERAL BODY MEETINGS

#### A. General Meeting

##### i. Annual General Meeting:

Financial Year	Date	Time	Number of special Resolutions passed	Venue
2014-15	24th September, 2015	3.30 p m	1	Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072
2015-16	22nd September, 2016	3.00 p m	2	
2016-17	31st August, 2017	11:00 a m	Nil	

##### ii. Extra-Ordinary General Meeting:

Financial Year	Date	Time	Number of special Resolutions passed	Venue
2017-18	29th November, 2017	11:00 a m	Nil	Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072

#### B. Special Resolutions:

Details of special resolutions passed in the Annual General Meetings during the last three financial years are as follows:

Date of General Meeting	Details of Special Resolution
August 31, 2017	Nil
September 22, 2016	1. To Purchase Office Premises from Asit C. Mehta Investment Intermediates Limited (ACMIL), subsidiary company of the company. 2. To Purchase Office Premises from M/s. Asit C Mehta Commodity Services Limited (ACMCSL), a related party of the company.
September 24, 2015	1. Appointment of Mr. Vijay Ladha as Independent Director

#### C. Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

No Resolution was passed through postal ballot during the year 2016-17.

### **D. Special resolution proposed to be passed by way of Postal Ballot**

There are no Special Resolutions proposed to be passed through Postal Ballot.

### **V. DISCLOSURES**

#### **A. Related Party Transactions**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 during the financial year were on an arm's length basis and were in the ordinary course of business and do not attract provisions of Section 188 of the Companies Act, 2013.

During FY 2017-18, the RPTs were placed before Audit Committee for prior approval. A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year. Suitable disclosures, as required by the Accounting Standard - 18 have been made in the financial statements. Policy on dealing with Related Party Transactions is available on the website of the Company [http://www.acmfsl.com/pdf/Policies/Related\\_Party\\_Transactions\\_Policy.pdf](http://www.acmfsl.com/pdf/Policies/Related_Party_Transactions_Policy.pdf)

Details of 'material' transactions, if any, with the Related Parties are disclosed quarterly. A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board and the same is placed on the Company's website [http://www.acmfsl.com/cor\\_gov.htm](http://www.acmfsl.com/cor_gov.htm)

#### **B. Indian Accounting Standards (Ind As) – IFRS Converged Standards**

The Company has adopted "IND AS" w.e.f. April 01, 2017. The implementation of "IND AS" is a major change process for which the Company has established a project team and has dedicated considerable resources. The impact of the change on adoption of "IND AS" has been assessed and the Company is ready to adopt "IND AS".

#### **C. Providing voting by Electronic Means**

Your Company is providing E-voting facility Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI (LODR) Regulation, 2015. The details regarding evoting facility are being given with the notice of the Meeting.

#### **D. Compliances by the Company**

There were no instances of non-compliance by the Company, nor has there been any penalties and structures imposed on the Company by the stock exchanges or SEBI or any statutory authority/regulatories on any matter related to capital markets, during the last three years.

#### **E. Whistle Blower Policy**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company at the following link [http://www.acmfsl.com/cor\\_gov.htm](http://www.acmfsl.com/cor_gov.htm)

#### **F. Manager /CFO Certification**

The manager and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the SEBI LODR Regulations, 2015.

### **G. Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### **H. Code of Conduct**

The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2018. The Annual Report of the Company contains a Certificate by the Chairman of the company in terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

### **I. Compliance Certificate**

Certificate from M/s Mehta & Mehta, Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report.

### **J. Compliance of discretionary requirements specified under Regulation 27 of the SEBI LODR Regulations, 2015.**

The Company is complying with all the mandatory requirements of the SEBI LODR Regulations, 2015. The Company has also complied with the discretionary requirement with respect to the regime of financial statements with unmodified audit opinion.

### **K. Subsidiary Companies**

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

- Nucleus IT Enabled Services Limited, Wholly Owned Subsidiary of the Company
- Asit C. Mehta Investment Intermediates Limited is the material non-listed Indian subsidiary of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link [http://www.acmfsl.com/cor\\_gov.htm](http://www.acmfsl.com/cor_gov.htm)

### **L. Means Of Communication**

Quarterly/Annual audited financial results are regularly submitted to the Stock Exchanges where the shares of the Company are listed in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and published in one English daily newspaper viz. Free Press Journal and one Regional Language (Marathi daily) newspaper viz. Navshakti. The quarterly/annual results are also displayed on the Company's website [www.acmfsl.com](http://www.acmfsl.com) soon after their declaration.

**M. General shareholder information****1. Annual General Meeting**

Date	:	29th September, 2018
Time	:	11.00 a.m.
Venue	:	Nucleus House, Saki- Vihar Road, Andheri (East), Mumbai: 400072

**2. E-voting period** : From September 26, 2018 at 9.00 a.m.  
To September 28, 2018 at 5.00 p.m.

**3. Cut-off date for E-voting** : September 22, 2018

**4. Financial Year** : April to March

**5. Date of Book Closure** : Saturday, 22nd September, 2018 to Saturday, 29th September, 2018  
(both days inclusive)

**6. Dividend** : No dividend is recommended for the financial year 2017-2018.

**7. Listing on Stock Exchanges** : BSE Limited (BSE)  
25th Floor, P. J. Towers, Dalal Street, Mumbai 400 001

**8. Stock Code** : 530723

**9. Listing fees** : The Company has paid the Annual Listing fees to BSE for the  
Financial Year 2018-19

**10. ISIN for Equity Shares** : INE0141B01014 (NSDL and CSDL)

**11. Address for Correspondence** : Asit C. Mehta Financial Services Limited  
Nucleus House, Saki-Vihar Road,  
Andheri (East), Mumbai: 400072  
Telephone:022- 28570781/28583333  
Fax: 022-28577647  
Email ID for Investor Services: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in)  
Website: [www.acmfsl.com](http://www.acmfsl.com)

**12. Registrar and Transfer Agents** : Link Intime India Private Limited  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.  
Phone no:022- 4918 6270 Fax no.:022-4918 6060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

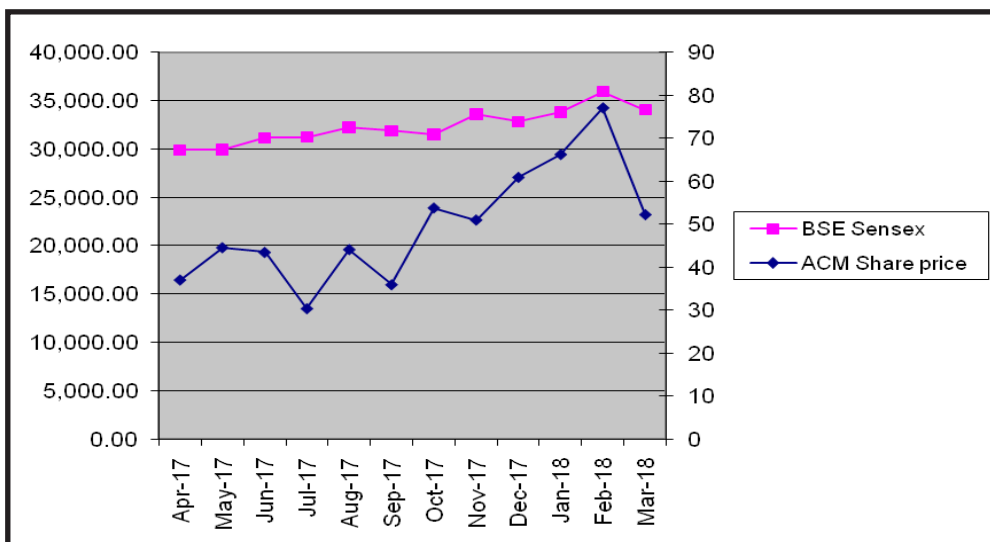
**13. Share Transfer System** : To expedite the transfer of shares held in the physical mode, the powers to authorise transfers, have been delegated to a Share Transfer Committee consisting of Directors. The Company's shares are covered under the compulsory dematerialization list and are transferable through the depository system. Shares sent for transfer in physical form are registered and returned within a period of thirty days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

**14. Market Price Data:**

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2017-18 on BSE:

Month	High (Rs)	Low (Rs)	Total Number of Equity Shares Traded
April 2017	37.1	22.95	30,407
May 2017	44.6	38.95	26,358
June 2017	44.5	43.5	7,500
July 2017	42.05	30.45	659
August 2017	44.15	28.95	733
September 2017	42.05	34.3	7,091
October 2017	58.15	35.95	49,985
November 2017	61.55	50.25	20,357
December 2017	61.55	50.1	13,867
January 2018	82.35	58	14,627
February 2018	77	58.1	5,312
March 2018	85.25	48	801,601

**15. Performance of the share price of the Company in comparison to the BSE Sensex:**



**16. Distribution of Shareholding:**
**a. Distribution of equity shareholding as on March 31, 2018.**

No. of Equity Shares	No. of Shareholders	% Percentage	No. of Shares	% Percentage
1- 5000	886	80.80	137688	2.78
5001-10000	102	9.53	83933	1.69
10001-20000	28	2.62	40482	0.82
20001-30000	6	0.56	14666	0.30
30001-40000	8	0.75	31192	0.63
40001-50000	7	0.65	32950	0.67
50001-100000	14	1.31	112892	2.28
100001 & above	19	1.78	4498757	90.84
	<b>1070</b>	<b>100.00</b>	<b>49,52,560</b>	<b>100.00</b>

**b. Categories of equity shareholders as on March 31, 2018:**

Category	Number of Equity shares held	% Percentage of shareholding
Promoter & Promoter Group	3,693,886	74.59
Financial Institutions and Banks	0	0.00
Bodies Corporate	165,092	3.33
Indian public and Others	1,025,156	20.70
Clearing Member	1,753	0.04
Non-Resident Indians	12,516	0.25
Hindu Undivided Family	54,157	1.09
TOTAL	4,952,560	100.00

**17. Dematerialisation of shares:**

The Company's shares are compulsorily traded in dematerialised form. The shares of the Company are admitted for trading under both depository systems in India viz. NSDL and CDSL. A total number of 4,826,478 Equity shares of the Company constituting 97.45% of the Company's equity share capital are dematerialised as on March 31, 2018. A total of 126,082 Equity shares are in physical form as on March 31, 2018.

**18. Outstanding GDRs / ADRs / Warrants or any 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, 2018, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**Code of Conduct Declaration**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH  
THE COMPANY'S CODE OF CONDUCT**

To,  
The Members of  
**Asit C. Mehta Financial Services Limited**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that, to the best of my knowledge and belief, all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Business Conduct & Ethics for the year ended 31st March 2018.

**29th May, 2018**

**ASIT C. MEHTA  
CHAIRMAN  
DIN: 00169048**

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**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**The Asit C Mehta Financial Services Limited**

We have examined the compliance of conditions of Corporate Governance by Asit C Mehta Financial Services Limited (hereinafter referred as "Company") for the year ended March 31, 2018 as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

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

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

**For Mehta & Mehta,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)**

**Ashwini Inamdar  
Partner  
FCS No. 9409  
CP No. 11226**

**Place : Mumbai  
Date : May 29, 2018**



**Standalone Financial Statements  
(2017-18)**

### INDEPENDENT AUDITORS' REPORT

#### TO THE MEMBERS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED

#### REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2018**, and the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information for the year then ended.

#### Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 and Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 **31st March, 2018, and its loss**, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### OTHER MATTERS

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31st March 2017 and 31st March 2016, dated 20th May, 2017 and 27th May, 2016, respectively, expressed an unmodified opinion on those standalone financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued the said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006, to comply with Ind AS, have been audited by us.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not qualified in respect of these matters.

### 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, and on the basis of the information and explanations given to us and on the basis of such checks as we considered appropriate, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the said 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 other 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 & Loss including other comprehensive income, Statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - (e) on the basis of written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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"** attached herewith;
  - (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, as amended, 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 standalone Ind AS financial statements, in Note 31 to the standalone Ind AS financial statements;

- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
- (iii) there has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101676 W**

**Mumbai:**  
**Dated: 29th May, 2018**

**(KIRAN C. SHAH) Partner**  
**Membership No. 032187**

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

<b>Matters specified in paragraphs 3 and 4 of the Order</b>	<b>Auditors’ Statements on the matters</b>
<p>(i)(a)Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</p> <p>(b)Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;</p> <p>(c)Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;</p>	<p>Yes.</p> <p>Yes.</p> <p>No discrepancy was noticed.</p> <p>Yes.</p>
<p>(ii) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;</p>	<p>Not Applicable, as the Company is engaged in providing services.</p>
<p>(iii) Whether the Company has granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,</p> <p>(a) whether the terms and conditions of the grant of such loans are not prejudicial to the Company’s interest;</p> <p>(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;</p> <p>(c) if the amount is overdue, state the total amount overdue for more than ninety days and whether reasonable steps have been taken by the Company for recovery of the principal and interest;</p>	<p>As per the information and explanations, there are no entities covered to be entered in register required to be maintained under section 189 of the Companies Act, 2013, hence no entries in the said register made by the Company. Hence, question of reporting of granting such loans to the specified entities does not arise.</p> <p>In view of above, this clause is not applicable.</p> <p>In view of above, this clause is not applicable.</p> <p>In view of above, this clause is not applicable.</p>
<p>(iv) In respect of loans, investments, guarantees and security, whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof;</p>	<p>Yes.</p>
<p>(v) In case the company has accepted deposits, whether 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, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, whether the same has been complied with or not?</p>	<p>No such deposits were accepted during the year. No such Orders were passed by any of these authorities.</p>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(vi) Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;	No; Not applicable
(vii) (a) Whether the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, Value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated; (b) Where dues of Income-tax or Sales-tax or Service tax or duty of Customs or duty of Excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute.);	Yes, the Company is generally regular in depositing the undisputed statutory dues as applicable to it, excepting unpaid statutory dues on last date payable to local municipal authorities Rs. 12,36,573/-, which remained unpaid for a period of more than six months from the date it became payable.  Disputed dues not deposited, as per details hereunder:

Name of statute	Nature of dues	Amount in Rs.	Period to which it relates	Forum where dispute is pending
Foreign Exchange Regulation Act, 1973	Contravention of FERA regulations	1,35,00,000/- and 26,86,000/-	1994-95	Appellate Tribunal Foreign Exchange and Bombay High Court.
Finance Act, 1994, Chapter V- Service tax	Service tax & penalties on certain income	1,01,97,579/-	1996-2000	Commissioner of Central Excise (Appeals)
The Income tax Act, 1961	Tax demand	19,910/-	A.Y. 2010-11	Rectification u/s 154 pending with Assessing Officer

(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported. (In case of defaults to banks, financial institutions and Government, lenderwise details to be provided.);	No. There were no borrowings from Government and no dues on account of debentures.
(ix) Whether moneys raised by way of initial public offer (including debt instruments) and term loans were applied for which those are raised. If not, the details together with delays or default and subsequent ratification, if any, as may be applicable, be reported;	Yes, term loans raised during the year, were applied for the purposes for which they were raised.
(x) Whether any fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. If yes, the nature and the amount involved is to be indicated;	Neither came across nor we were informed by the management of any instance of fraud by the Company or any fraud on the Company by its officers or employees.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(xi) Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013? If not, state the amount involved and steps taken by the Company for securing refund of the same;	Yes.
(xii) Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.	Not applicable.
(xiii) Whether all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, etc. as required by the applicable accounting standards;	Yes. The requisite details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards.
(xiv) Whether the Company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	No such allotment or placement during the year, hence this clause is not applicable.
(xv) Whether the Company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of sections 192 of the Companies Act, 2013 have been complied with.	No; not applicable.
(xvi) Whether the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	No.

**For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101676W**

**Mumbai:**  
**Dated: 29th May, 2018**

**(KIRAN C. SHAH) Partner**  
**Membership No. 032187**

### **ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

[Referred to in clause (f) of paragraph 2 under “Report on Other Legal and Regulatory Requirements” section of our report of even date]

#### **Report on the Internal Financial Controls over Financial Reporting 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 **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** (“the Company”) as of **31st March, 2018** in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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” (the “Guidance Note”) 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 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 ICAI. 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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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, considering nature of activities, size of operation and organizational structure of the entity and exercise of controls through personal supervision by the management, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March, 2018**, 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 CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101676W**

**Mumbai:**  
**Dated: 29th May, 2018**

**(KIRAN C. SHAH) Partner**  
**Membership No. 032187**

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**
**BALANCE SHEET AS AT MARCH 31,2018**

(₹ in '000)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3A	2,842.89	3,027.52	1,298.28
(b) Investment Property	3B	6,27,630.16	6,40,683.85	6,53,735.00
(c) Other Intangible assets	3C	237.52	317.20	396.50
(d) Financial Assets				
(i) Investments	4	1,56,811.00	1,55,997.07	1,55,997.07
(ii) Loans	5	1,131.84	1,085.83	1,131.02
(e) Non-Current Tax Assets	6	6,460.98	6,465.63	4,006.21
(f) Deferred Tax Assets (net)	7	4,311.63	4,507.35	5,385.01
(g) Other non-current assets	8	1,894.52	-	-
<b>Total Non Current Assets</b>		<b>8,01,320.54</b>	<b>8,12,084.44</b>	<b>8,21,949.09</b>
<b>(2) Current assets</b>				
(a) Financial Assets				
(i) Trade receivables	9	4,299.98	4,483.46	3,955.58
(ii) Cash and cash equivalents	10	548.87	2,581.44	2,869.30
(iii) Bank balance other than (ii) above	11	11,347.69	11,209.08	11,004.25
(iv) Loans	12	11,280.95	3,117.17	2,684.12
(v) Other Financial Assets	13	2,111.08	1,370.65	709.53
(b) Other current assets	14	690.91	1,439.12	525.57
<b>Total Current Assets</b>		<b>30,279.48</b>	<b>24,200.93</b>	<b>21,748.36</b>
<b>Total Assets</b>		<b>8,31,600.02</b>	<b>8,36,285.37</b>	<b>8,43,697.45</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	15	48,335.75	48,335.75	48,335.75
(b) Other Equity	16	3,45,640.58	3,51,813.81	3,53,599.63
<b>Total Equity</b>		<b>3,93,976.33</b>	<b>4,00,149.56</b>	<b>4,01,935.38</b>
<b>Liabilities</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	3,75,537.12	3,33,912.28	2,42,745.76
(b) Provisions	18	-	92.26	93.07
(c) Other non-current liabilities	19	104.00	-	1,072.00
<b>Total Non- Current Liabilities</b>		<b>3,75,641.12</b>	<b>3,34,004.54</b>	<b>2,43,910.83</b>
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	36,367.24	72,307.74	92,869.16
(ii) Trade payables	21	4,094.96	2,388.55	8,438.95
(iii) Other financial liabilities	22	19,649.23	25,565.98	94,249.47
(b) Other current liabilities	23	1,870.11	1,846.57	2,260.91
(c) Provisions	24	-	21.92	32.25
<b>Total Current Liabilities</b>		<b>61,981.54</b>	<b>1,02,130.77</b>	<b>1,97,850.73</b>
<b>Total Liabilities</b>		<b>4,37,622.66</b>	<b>4,36,135.31</b>	<b>4,41,761.56</b>
<b>Total Equity and Liabilities</b>		<b>8,31,600.02</b>	<b>8,36,285.37</b>	<b>8,43,697.45</b>

 Notes (Including Significant Accounting Policies) 1 to 40  
 Forming Part of the Financial Statements

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant &amp; Sevantilal &amp; J. K. Shah &amp; Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta

Chairman

DIN: 00169048

Mamta Gautam

Chief Financial Officer

Kirit Vora

Director

DIN: 00168907

Meha Sikarwar

Company Secretary

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in '000)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>INCOME</b>			
Revenue from operations	25	62,538.48	64,028.58
Other Income	26	2,630.46	2,244.78
<b>Total income</b>		<b>65,168.94</b>	<b>66,273.37</b>
<b>EXPENSES</b>			
Employee benefits expense	27	1,669.72	3,023.13
Finance costs	28	42,602.72	38,632.92
Depreciation and amortisation expense	3A to 3C	13,697.66	13,567.21
Other expenses	29	12,951.23	11,931.16
<b>Total expenses</b>		<b>70,921.32</b>	<b>67,154.42</b>
<b>Profit / (Loss) before tax</b>		<b>(5,752.38)</b>	<b>(881.05)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax (Assets) / Liability		198.01	(867.76)
- Prior year tax adjustment (Cr) / Dr		(5.78)	49.43
<b>Total Tax Expense</b>		<b>192.23</b>	<b>(917.19)</b>
<b>Profit / (Loss) for the year</b>		<b>(5,944.62)</b>	<b>(1,798.24)</b>
<b>Other comprehensive income</b>			
i) Items that will not be reclassified to profit or loss:			
a) Re-measurement gains/ (losses) on defined benefit plans		10.08	38.42
b) Effect of measuring Equity Instruments on Fair Value		(18.96)	-
c) Income Tax on (a) and (b)		2.29	(9.89)
<b>Other comprehensive income for the year, net of tax</b>		<b>(6.59)</b>	<b>28.53</b>
<b>Total comprehensive income for the year</b>		<b>(5,951.21)</b>	<b>(1,769.72)</b>
<b>Earnings per equity share:</b>			
Basic and Diluted (in ₹)	35	(1.23)	(0.37)

Notes (Including Significant Accounting Policies) 1 to 40  
Forming Part of the Financial Statements

The above Profit & Loss Account should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

**Statement of Changes in Equity for the year ended March 31, 2018**
**A. Equity Share Capital (refer note 15)**

(₹ in '000)

Particulars	Amount
<b>Balance as at April 1, 2016</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2017</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2018</b>	<b>48,335.75</b>

**B. Other Equity**

(₹ in '000)

Particulars	Reserves and Surplus			Equity Instruments through OCI	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings		
<b>Balance as at April 1, 2016</b>	<b>759.50</b>	<b>41,043.96</b>	<b>3,11,796.17</b>	-	<b>3,53,599.63</b>
Profit/(Loss) for the year			(1,798.24)		(1,798.24)
Other Comprehensive Income for the year - Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)			28.53		28.53
Effect of measuring equity instruments at fair value				-	-
Adjustment for the year			(16.11)		(16.11)
<b>Balance as at March 31, 2017</b>	<b>759.50</b>	<b>41,043.96</b>	<b>3,10,010.35</b>	-	<b>3,51,813.81</b>
Profit/(Loss) for the year			(5,944.62)		(5,944.62)
Other Comprehensive Income for the year - Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)			7.49		7.49
Effect of measuring equity instruments at fair value			-	(14.08)	(14.08)
Adjustment for the year			(222.02)		(222.02)
<b>Balances as at March 31, 2018</b>	<b>759.50</b>	<b>41,043.96</b>	<b>3,03,851.20</b>	<b>(14.08)</b>	<b>3,45,640.58</b>

Notes (Including Significant Accounting Policies) 1 to 40

Forming Part of the Financial Statements

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant &amp; Sevantilal &amp; J. K. Shah &amp; Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board of Directors

 Asit C Mehta  
 Chairman  
 DIN: 00169048

 Mamta Gautam  
 Chief Financial Officer

 Kirit Vora  
 Director  
 DIN: 00168907

 Meha Sikarwar  
 Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in '000)

	<b>Particulars</b>	<b>For the Year ended March 31, 2018</b>	<b>For the Year ended March 31, 2017</b>
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	(5,752.38)	(881.05)
	Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
	Depreciation and Amortisation	13,697.66	13,567.21
	Interest Income	(2,507.60)	(1,172.78)
	Dividend Income	(3.30)	-
	Provision for Bad debts / Bad debts	1,986.00	-
	Amortisation of financial guarantee	(26.00)	(1,072.00)
	Provision for Gratuity written back	(93.56)	-
	Adjustments for the year	(211.94)	22.31
	Finance Costs	42,602.72	38,632.92
	<b>Operating Profit Before Changes in Working Capital</b>	<b>49,691.60</b>	<b>49,096.61</b>
	Adjustment for Changes in Working Capital		
	(Increase) / Decrease in Trade Receivables	(1,802.53)	(527.87)
	(Increase) / Decrease in Other Financial Assets	(740.43)	(661.12)
	(Increase) / Decrease in Short term Loans and Advances	-	-
	(Increase) / Decrease in Other Current Assets	748.22	(913.55)
	(Increase) / Decrease in Long term Loan/Other Non Current Asset	(1,940.53)	45.19
	Increase / (Decrease) in Trade Payables, Other Current Liabilities and short-term Provisions	1,709.33	(6,475.06)
	Increase / (Decrease) in Other Financial Liability	(5,916.75)	(68,683.49)
	Increase / (Decrease) in Other Non current liability/Long term provision	130.00	(0.80)
	<b>Cash Generated from Operations</b>	<b>41,878.91</b>	<b>(28,120.11)</b>
	Less: Direct taxes refund/(paid) [net]	10.43	(2,508.85)
	<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>41,889.33</b>	<b>(30,628.95)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest Received	2,507.60	1,172.78
	Placement of Bank Fixed deposits	(138.61)	(204.83)
	Dividend Received	3.30	-
	Inter Corporate loan received back	3,117.17	2,684.12
	Inter Corporate loan Given	(11,280.95)	(3,117.17)
	Purchase of Property, Plant and Equipment	(379.16)	(2,165.99)
	Purchase of Investment	(832.89)	-
	<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(7,003.53)</b>	<b>(1,631.09)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Finance Costs	(42,602.72)	(38,632.92)
	Long term borrowing (Net of Repayment)	41,624.84	91,166.52
	Repayments of Inter-corporate Deposit and Security deposit	(35,940.50)	(20,561.42)
	<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>(36,918.37)</b>	<b>31,972.18</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(2,032.58)</b>	<b>(287.86)</b>
	Cash on hand	48.20	148.31

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(₹ in '000)			
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Balances with scheduled banks on current accounts	2,533.25	2,721.00	
<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>2,581.44</b>	<b>2,869.30</b>	
Cash on hand	22.38	48.20	
Balances with scheduled banks on current accounts	526.49	2,533.25	
<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>548.87</b>	<b>2,581.44</b>	
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,032.57)</b>	<b>(287.86)</b>	

### Note :

- 1 Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
- 2 Figures in brackets represent outflows / deductions.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

## Notes to Financial Statements :

### 1 Corporate Information

Asit C Mehta Financial Services Limited ("the company") is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Andheri (East), Mumbai - 400072. The shares of the company are listed on BSE Limited.

The Company is engaged in the business of Renting of immovable properties . The Company has classified the aforesaid business as an 'investment activities'. The Company is also rendering 'Advisory and Consultancy Services'.

The financial statements for the year ended March 31, 2018 are approved for issue by the Company's Board of Directors on 29th May, 2018.

### 2 Significant Accounting Policies

#### i Compliance with Ind AS

##### Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

For all periods upto and including for the financial year ended March 31, 2017, the Company prepared its financial statements in accordance with Accounting Standards specified under Section 133 of the Act read with applicable rules and the relevant provisions of the Act ("Previous GAAP"). The figures for the year ended March 31, 2017 have now been restated as per Ind AS to provide comparability.

These financial statements for the year ended March 31, 2018 are the Company's first Ind AS standalone financial statements. The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, "First-Time Adoption of Indian Accounting Standards", the date of transition to Ind AS being April 1, 2016. Refer to Note 40 for details of adoption of Ind AS.

#### ii Historical cost convention

These Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities
- ii. Defined Benefits Plans- Plan assets

#### iii Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest thousand (INR ₹ 000) upto two decimals, except when otherwise indicated.

### 2.1 Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner

### Notes to Financial Statements :

intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

### 2.2 Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

### 2.3 Investment Property

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3B). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Depreciation of Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the schedule II - Part 'C'.

### 2.4 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of ten years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

### 2.5 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.



### Notes to Financial Statements :

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### 2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

### 2.8 Segment Reporting

The company identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources in assessing the performance.

The accounting policies adopted for segment reporting are in the line with the accounting policies of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relates to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.

### 2.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

### Notes to Financial Statements :

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

### 2.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### Rental Income

Rental Income is accounted as and when accrues.

#### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

#### Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

#### Advisory

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed,

#### Share Trading

Income from share trading activity is recognized on selling of shares;

### 2.11 Operating Leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

### Notes to Financial Statements :

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

### 2.12 Employee Benefits

#### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### (ii) Long-term employee benefits:

- **Defined Contribution Plan:**

##### **Provident Fund:**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Company has no further obligation beyond making the contribution. The Company's contribution if any, is charged to the statement of profit and loss as incurred.

- **Defined Benefit Plan:**

##### **a. Gratuity:**

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company pays these benefits as and when due based on its own liquidity.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation.

##### **b. Compensated absences:**

The Company provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and loss in the year in which they arise.

### Notes to Financial Statements :

#### 2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

##### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

##### Current and Deferred Tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### 2.14 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

#### 2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Notes to Financial Statements :

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Fair Value through Other Comprehensive Income (OCI):

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

### Notes to Financial Statements :

#### **Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Impairment of financial assets:**

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

#### **Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### **Financial liabilities and equity instruments:**

- **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Notes to Financial Statements :

- **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

### **Derecognition of financial liabilities:**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

### **Offsetting:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## **2.16 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### **Key estimates, assumptions and judgements**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### Notes to Financial Statements :

#### Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 30.

#### Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

#### Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.



### Notes to Financial Statements :

#### Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

### 2.17 First-time adoption-mandatory exceptions, optional exemptions

#### Overall Principle

The Company has prepared the Opening Balance Sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company detailed below:

#### Significant items are as discussed below:

##### i) Deemed Cost for PPE, Intangible assets and Investment Property

On transition to Ind AS, the Company has elected the continue with the carrying value of all its property, plant and equipment, intangibles assets and investment property recognised as of the transition date, that is, as at April 1, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such Property, Plant and Equipment, Intangibles Assets and Investment Property. Accordingly, the net block as at March 31, 2016 of these assets as per the Previous GAAP have been considered as the deemed cost.

##### ii) Investments

"The Company has elected to carry its investment in subsidiaries and associate at deemed cost, which is its previous GAAP carrying amount at the date of transition. The Company has designated investment in equity shares (other than subsidiaries and associate) held at the date of transition as fair value through OCI.

### 2.18 Ind AS issued but not effective

Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS:

#### Ind AS 21: The Effects of Changes in Foreign Exchange Rates

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration is inserted to clarify the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The Appendix explains that the date of the transaction, for the purpose of determining the exchange rate, to use on the initial recognition of the related asset, expense or income (or part of it) is the date on which the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

If there are multiple payments or receipts in advance, the date of the transaction is determined for each payment or receipt of advance consideration.

### Notes to Financial Statements :

#### **Ind AS 115: Revenue from Contracts with Customers**

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS18 on “Revenue” and Ind AS 11 on “Construction Contracts”.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

Further, Ind AS 115, requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers.

#### **Ind AS 115 permits two possible methods of transition:**

- **Retrospective approach** - Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- **Cumulative catch - up approach** - Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach) only to contracts that are not completed contracts on that date. Under this method, cumulative effect is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period.

The effective date for adoption of Ind AS 115 is accounting period beginning on or after April 1, 2018.

The effect on adoption of Ind AS 115 is expected to be insignificant.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 3A:

#### Property, Plant and Equipment:

(₹ in '000)

Particulars	Furnitures and fixtures	Office and Other Equipments	Electric Fittings	Computers	Air Conditioners	Solar System	Projector	Total
<b>(I) Gross Carrying Value</b>								
<b>Balance as at April 1, 2016</b>	1,121.70	118.96	29.39	2.71	17.59		7.43	1,297.78
Additions during the year		362.19				1,803.80		2,165.99
Deductions/Adjustments during the year								-
Other Adjustments during the year								-
<b>Balance as at March 31, 2017</b>	<b>1,121.70</b>	<b>481.15</b>	<b>29.39</b>	<b>2.71</b>	<b>17.59</b>	<b>1,803.80</b>	<b>7.43</b>	<b>3,463.77</b>
Additions during the year						379.16		379.16
Deductions/Adjustments during the year								-
Other Adjustments during the year								-
<b>Balance as at March 31, 2018</b>	<b>1,121.70</b>	<b>481.15</b>	<b>29.39</b>	<b>2.71</b>	<b>17.59</b>	<b>2,182.96</b>	<b>7.43</b>	<b>3,842.93</b>
<b>(II) Accumulated Depreciation</b>								
<b>Balance as at April 1, 2016</b>								-
Depreciation expense for the year	358.27	68.37		2.10		7.51		436.25
Deductions/Adjustments during the year								-
<b>Balance as at March 31, 2017</b>	<b>358.27</b>	<b>68.37</b>	<b>-</b>	<b>2.10</b>	<b>-</b>	<b>7.51</b>	<b>-</b>	<b>436.25</b>
Depreciation expense for the year	357.94	90.40				115.45		563.79
Deductions/Adjustments during the year								-
<b>Balance as at March 31, 2018</b>	<b>716.21</b>	<b>158.77</b>	<b>-</b>	<b>2.10</b>	<b>-</b>	<b>122.96</b>	<b>-</b>	<b>1,000.05</b>
Net Carrying Value (I-II)								-
<b>Balance as at April 1, 2016</b>	<b>1,121.70</b>	<b>118.96</b>	<b>29.39</b>	<b>2.71</b>	<b>17.59</b>	<b>-</b>	<b>7.43</b>	<b>1,298.28</b>
<b>Balance as at March 31, 2017</b>	<b>763.43</b>	<b>412.78</b>	<b>29.39</b>	<b>0.60</b>	<b>17.59</b>	<b>1,796.29</b>	<b>7.43</b>	<b>3,027.52</b>
<b>Balance as at March 31, 2018</b>	<b>405.49</b>	<b>322.38</b>	<b>29.39</b>	<b>0.60</b>	<b>17.59</b>	<b>2,060.00</b>	<b>7.43</b>	<b>2,842.89</b>

#### Notes :

The Company has adopted previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the Company has set the net block as pre previous GAAP as on April 1, 2016 as the gross block under Ind AS.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 3B: Investment Property:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
<b>Balance as at April 1, 2016</b>	<b>6,53,735.00</b>
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
<b>Balance as at March 31, 2017</b>	<b>6,53,735.00</b>
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
<b>Balance as at March 31, 2018</b>	<b>6,53,735.00</b>
<b>(II) Accumulated Depreciation</b>	
<b>Balance as at April 1, 2016</b>	
Depreciation expense for the year	13,051.65
Deductions/Adjustments during the year	
<b>Balance as at March 31, 2017</b>	<b>13,051.65</b>
Depreciation expense for the year	13,053.69
Deductions/Adjustments during the year	
<b>Balance as at March 31, 2018</b>	<b>26,105.34</b>
<b>Net Carrying Value (I-II)</b>	
<b>Balance as at April 1, 2016</b>	<b>6,53,735.00</b>
<b>Balance as at March 31, 2017</b>	<b>6,40,683.85</b>
<b>Balance as at March 31, 2018</b>	<b>6,27,630.16</b>

#### Disclosure pursuant to Ind AS 40 "Investment Property"

##### a. Amount recognised in the Statement of Profit and Loss for investment property:

(₹ in '000)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rental income derived from investment property	60,738.48	53,760.75
Direct operating expenses arising from investment property that generated rental income	(22,411.20)	(18,065.95)
Profit from investment properties before depreciation	38,327.28	35,694.80
Depreciation	(13,053.69)	(13,051.65)
<b>Profit from Investment property</b>	<b>25,273.59</b>	<b>22,643.15</b>

**Notes to Financial Statements :**

**b. Fair Value of Investment Property**

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Fair Value of Investment Property	9,54,454.00	8,92,207.00
<b>Total</b>	<b>9,54,454.00</b>	<b>8,92,207.00</b>

Valuation is based on the report of an accredited independent valuer. Fair value is based on market value approach where ever available.

**c. Contractual Obligations**

There is no contractual obligation to purchase, construct or develop investment property.

**d. Leasing arrangements**

Certain investments properties are leased out to tenants under cancellable operating lease.

**Note 3C: Intangible Assets:**

(₹ in '000)

Particulars	Software
<b>(I) Gross Carrying Value</b>	
<b>Balance as at April 1, 2016</b>	<b>396.50</b>
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
<b>Balance as at March 31, 2017</b>	<b>396.50</b>
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
<b>Balance as at March 31, 2018</b>	<b>396.50</b>
<b>(II) Accumulated Depreciation</b>	
<b>Balance as at April 1, 2016</b>	
Depreciation expense for the year	79.30
Deductions/Adjustments during the year	
Balance as at March 31, 2017	79.30
Depreciation expense for the year	80.18
Deductions/Adjustments during the year	
<b>Balance as at March 31, 2018</b>	<b>159.48</b>
<b>Net Carrying Value (I-II)</b>	
<b>Balance as at April 1, 2016</b>	<b>396.50</b>
<b>Balance as at March 31, 2017</b>	<b>317.20</b>
<b>Balance as at March 31, 2018</b>	<b>237.52</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 4: Investments : Non-current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Investments measured at Cost</b>			
<b>In Equity Shares of Wholly-owned Subsidiary company</b>			
<b>Unquoted</b>			
30,00,000 (As on 31st March 2017 - 30,00,000 :As on 1st April 2016 -30,00,000) equity shares of Rs 10 each fully paid in Nucleus IT Enabled Services Ltd	30,000.00	30,000.00	30,000.00
<b>In Equity Shares of Subsidiary company</b>			
<b>Unquoted</b>			
55,61,111 (As on 31st March 2017 - 55,61,111: As on 1st April 2016-55,61,111) equity shares of Rs 10 each fully paid in Asit C Mehta Investment Intermmediates Ltd (refer note 4.1)	1,26,127.07	1,25,997.07	1,25,997.07
<b>Investments measured at Amortised cost</b>			
<b>In Preference shares of Others</b>			
<b>Unquoted</b>			
2,50,000 Redeemable Preference Shares of Rs. 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	512.48	-	-
<b>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI) In Equity Shares of Others</b>			
<b>Quoted</b>			
1,500 Equity shares of Gujarat State Fertilizers & Chemicals Ltd	171.45	-	-
<b>Total</b>	<b>1,56,811.00</b>	<b>1,55,997.07</b>	<b>1,55,997.07</b>

4.1 Financial guarantee issued by the Company in respect of Bank Overdraft facility availed by Asit C Mehta Investment Intermmediates Limited. Accordingly, the financial guarantee issued by the Company are initially measured at Fair value of ₹130 (₹ in '000)/- and accounted as contribution and recognised as cost of Investment.

Aggregate amount of unquoted investments	1,56,639.55	1,55,997.07	1,55,997.07
Aggregate amount of quoted investments	171.45	-	-

#### Note 5: Loans : Non-current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
Security Deposits	1,131.84	1,085.83	1,131.02
<b>Total</b>	<b>1,131.84</b>	<b>1,085.83</b>	<b>1,131.02</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 6: Current Tax Assets (net) : Non-current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Income Tax	6,460.98	6,465.63	4,006.21
<b>Total</b>	<b>6,460.98</b>	<b>6,465.63</b>	<b>4,006.21</b>

#### Note 7: Deferred Tax Assets (Net):

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax Assets (Refer No. 30)	4,311.63	4,507.35	5,385.01
<b>Total</b>	<b>4,311.63</b>	<b>4,507.35</b>	<b>5,385.01</b>

#### Note 8: Other Non-current assets

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
Prepaid component of 2,50,000 redeemable Preference Shares of ₹10 each of Omniscience Capital Advisors private Limited (redeemable within 20 years)	1,894.52	-	-
<b>Total</b>	<b>1,894.52</b>	<b>-</b>	<b>-</b>

#### Note 9: Trade Receivables

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	4,299.98	4,483.46	3,955.58
Unsecured, Considered doubtful	1,986.00	-	-
Less: provision for doubtful debts	(1,986.00)	-	-
<b>Total</b>	<b>4,299.98</b>	<b>4,483.46</b>	<b>3,955.58</b>

#### Note 10: Cash and Cash Equivalents

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Balances with Banks			
On Current Accounts	526.49	2,533.25	2,721.00
(ii) Cash on hand	22.38	48.20	148.31
<b>Total</b>	<b>548.87</b>	<b>2,581.44</b>	<b>2,869.30</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 11: Bank Balances other than Cash and Cash Equivalents

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed Deposits with Bank (Having maturity of more than 12 Months)	3,254.69	3,035.24	2,830.26
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note 31)	8,093.00	8,093.00	8,093.00
<b>Earmarked Balances</b>			
For Unpaid Equity Dividend	-	80.84	81.00
<b>Total</b>	<b>11,347.69</b>	<b>11,209.08</b>	<b>11,004.25</b>

#### Note 12: Loans : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Advances other than Capital Advances</b>			
Deposits	-	-	50.00
Inter corporate Deposits			
Nucleus IT Enabled Services Limited	11,280.95	-	2,634.12
Others	-	3,117.17	-
<b>Total</b>	<b>11,280.95</b>	<b>3,117.17</b>	<b>2,684.12</b>

#### Note 13: Other Financial Assets : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest receivable	1,210.12	973.88	335.04
Receivable on TDS accounts from NBFC	900.96	396.78	374.49
<b>Total</b>	<b>2,111.08</b>	<b>1,370.65</b>	<b>709.53</b>

#### Note 14: Other Current assets

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Balances with Government Authorities</b>			
Excise Duty / Service Tax / GST	210.75	71.59	142.12
Prepaid Expenses	378.66	1,367.53	383.45
Prepaid amount on Preference Shares	101.49	-	-
<b>Total</b>	<b>690.91</b>	<b>1,439.12</b>	<b>525.57</b>



**Notes to Financial Statements :**
**Note 15: Equity Share Capital**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorised :</b>			
10,000,000 Equity shares at ₹10/- par value	1,00,000.00	1,00,000.00	1,00,000.00
	<b>1,00,000.00</b>	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, Subscribed and Paid up :</b>			
4,952,560 Equity shares at ₹10/- par value	49,525.60	49,525.60	49,525.60
Less : 1,18,985 Treasury Shares (Nucleus Trust)*	(1,189.85)	(1,189.85)	(1,189.85)
	48,335.75	48,335.75	48,335.75
<b>Total</b>	<b>48,335.75</b>	<b>48,335.75</b>	<b>48,335.75</b>

**Terms/Rights attached to Equity Shares**

- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend is declared on equity shares for the year ended March 31, 2018 and March 31, 2017.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

**\* Treasury Shares**

Treasury shares are held by Nucleus Stock Trust which represents 1,18,985 Equity Shares of ₹10/- each fully paid-up of the Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Courts of Mumbai vide their Orders dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Company and is being managed by trustees appointed by it.

**a. Reconciliation of the number of shares outstanding**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
Equity Shares Outstanding at the beginning of the year	48,33,575	48,335.75	48,33,575	48,335.75	48,33,575	48,335.75
Changes during the year	-	-	-	-	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>48,33,575</b>	<b>48,335.75</b>	<b>48,33,575</b>	<b>48,335.75</b>	<b>48,33,575</b>	<b>48,335.75</b>

**b. Shareholders having more than 5% holding**

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	22,91,638	46.27%	22,84,138	46.12%	22,84,138	46.12%
Mrs. Deena A. Mehta	9,00,358	18.18%	9,00,358	18.18%	9,00,358	18.18%
Asit C Mehta Commodity Services Ltd	4,00,470	8.09%	4,00,470	8.09%	4,00,470	8.09%

**Notes to Financial Statements :**
**c. Details of forfeited shares :**

Class of Shares	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount originally paid up (₹ in '000)	No. of shares	Amount originally paid up (₹ in '000)	No. of shares	Amount originally paid up (₹ in '000)
Equity shares with voting rights	1,47,700	738.50	1,47,700	738.50	1,47,700	738.50
Equity shares with voting rights*	4,200	21.00	4,200	21.00	4,200	21.00

\* these shares were originally issued by erstwhile Nucleus Netsoft And GIS (India) Limited which was amalgamated with the Company.

**Note 16: Other Equity**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Capital Reserve</b>			
As per last Balance Sheet	759.50	759.50	759.50
	<b>759.50</b>	<b>759.50</b>	<b>759.50</b>
<b>Securities Premium</b>			
As per last Balance Sheet	41,043.96	41,043.96	41,043.96
	<b>41,043.96</b>	<b>41,043.96</b>	<b>41,043.96</b>
<b>Revaluation Reserve</b>			
As per last Balance Sheet	-	-	3,37,898.13
Less: Adjustments for Cost Model (Refer note 16.1)	-	-	(3,37,898.13)
	-	-	-
<b>Retained Earnings</b>			
Balance as at the beginning of the year	3,10,010.35	3,11,796.17	(7,870.47)
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	(5,944.62)	(1,798.24)	(22,903.21)
Add : Revaluation Reserve	-	-	3,37,898.13
Less : Other Components of Equity (Amount on account of Treasury shares)	-	-	(2.54)
Other Comprehensive Income for the year - Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	7.49	28.53	
Add: Opening Balance Sheet Adjustments b/f (as per Ind AS)	-	-	4,674.26
Add: Adjustments for the year	(222.02)	(16.11)	-
	<b>3,03,851.20</b>	<b>3,10,010.35</b>	<b>3,11,796.17</b>
<b>Equity Instruments through Other Comprehensive Income</b>			
<b>Balance as at the beginning of the year</b>			
Add/(Less) : Movement during the year	(14.08)	-	-
	(14.08)	-	-
<b>Total</b>	<b>3,45,640.58</b>	<b>3,51,813.81</b>	<b>3,53,599.63</b>

**Notes to Financial Statements :**

16.1 Since the Company has elected to continue with carrying value of Investment property, the balance in Revaluation reserve as on date of transition, i.e. April 1, 2016 is transferred to Retained earnings.

**Description of the nature and purpose of Other Equity**

**Capital Reserve:** Capital reserves created by the Company due to forfeiture of Equity Shares of the Company on occasion of Amalgamation.

**Securities Premium:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income

**Note 17: Borrowings : Non-current**

(₹ in '000)

	Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i)	<b>Secured loans</b>			
	<b>A. From Bank</b>			
	a. Term Loan from ICICI Bank (refer note (i) below)	19,726.85	87,665.05	94,182.49
	<b>B. From NBFC</b>			
	a. Term Loan from NBFC (refer note (iv) below)	25,907.62	-	-
	b. Term Loan from NBFC (refer note (ii) below)	74,344.47	85,064.20	92,807.29
	c. Term Loan from NBFC (refer note (iii) below)	48,293.86	52,972.02	55,755.99
	d. From NBFC (refer note (iv) below)	2,07,264.32	1,08,211.00	-
	<b>Total</b>	<b>3,75,537.12</b>	<b>3,33,912.28</b>	<b>2,42,745.76</b>

**Nature of Security and Term of Repayment of Long-term Borrowing :**

Name of Security	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Mortgage of commercial property on 4th Floor, 5th Floor and 6th Floor of 'B' wing at 'Nucleus House' Andheri E, Mumbai (commencing from Apr'2016.) (tenure 120 months) Rate of Interest : [31.03.2018 10.50%, 31.03.2017 10.95%, 01.04.2016 11.00%]	21,554.88	94,155.76	1,00,000.00
ii) Mortgage of commercial property situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai, bearing nos 3rd, 4th, 5th, 6th & 7th floor 'A' Wing, (commencing from Feb'16) (tenure 108 months) Rate of Interest : [31.03.2018 9.75% , 31.03.2017 11.75%, 01.04.2016 11.90%]	84,694.63	92,726.27	99,478.88

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

Name of Security	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
iii) Secured by Equitable / registered mortgaged of the properties located at Nucleus House "B" Wing, 2nd and 7th Floor. (commencing from May'2014) (tenure 180 months) Rate of Interest : [31.03.2018 9.75% , 31.03.2017 12.40%, 01.04.2016 13.00%]	52,471.08	55,350.48	57,304.88
iv) Secured by Equitable Mortgage of the properties located at Nucleus House A wing 102 , 201,202, 203 B wing 801 and 301. (commencing from March 2017) *[Bullet payment at the end of the tenure] (tenure 156 months) Rate of Interest : [31.03.2018 9.40% , 31.03.2017 10.50%]	2,34,416.70	1,08,211.00	-
<b>Total</b>	<b>3,93,137.28</b>	<b>3,50,443.50</b>	<b>2,56,783.76</b>
<b>Less: Current Maturities of Long-term debt (Refer Note 22)</b>	<b>17,600.16</b>	<b>16,531.23</b>	<b>14,037.99</b>
<b>Total</b>	<b>3,75,537.12</b>	<b>3,33,912.28</b>	<b>2,42,745.76</b>

### Note 18: Provisions : Non-current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for employee benefits</b>			
Gratuity (unfunded)	-	92.26	93.07
<b>Total</b>	<b>-</b>	<b>92.26</b>	<b>93.07</b>

### Note 19: Other Financial Liabilities: Non-Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial Guarantee Contract (On behalf of Subsidiary)	104.00	-	1,072.00
<b>Total</b>	<b>104.00</b>	<b>-</b>	<b>1,072.00</b>

### Note 20: Borrowings : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Unsecured, Considered Good</b>			
Security Deposits	36,367.24	50,807.74	42,869.16
Other			
Inter Corporate Deposit	-	21,500.00	50,000.00
<b>(Repayable on Demand and Rate of Interest-(11.5%p.a.), (( 16%))</b>			
<b>Total</b>	<b>36,367.24</b>	<b>72,307.74</b>	<b>92,869.16</b>

**Notes to Financial Statements :**
**Note 21: Trade Payables**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Due to Micro, Small and Medium Enterprise</b>			
Due to Others	4,094.96	2,388.55	8,438.95
<b>Total</b>	<b>4,094.96</b>	<b>2,388.55</b>	<b>8,438.95</b>

The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2002 ("MSMED Act"), and therefore no such disclosures under the Act is considered necessary. This has been relied upon by the auditors.

Amounts payable to Micro and Small Enterprises	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) the principal amount and the interest due thereon	Nil	Nil	Nil
(ii) interest Paid during the year	Nil	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil	Nil

**Note 22: Other Financial Liabilities: Current**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current Maturities of Long Term borrowings</b>	<b>17,600.16</b>	<b>16,531.23</b>	<b>14,037.99</b>
Unclaimed Dividend	-	79.39	79.39
Interest payable on borrowings	2,049.07	8,955.37	2,047.93
<b>Others</b>			
Towards purchase of Investment Property	-	-	2,295.05
Due to subsidiary	-	-	478.20
Due to subsidiary towards purchase of Investment Property	-	-	75,310.92
<b>Total</b>	<b>19,649.23</b>	<b>25,565.98</b>	<b>94,249.47</b>

**Note 23: Other Current Liabilities**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income Received in advance	433.23	594.79	599.03
Others			
Statutory dues	1,436.90	1,251.79	1,661.89
<b>Total</b>	<b>1,870.11</b>	<b>1,846.57</b>	<b>2,260.91</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 24: Provisions : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for employee benefits :</b>			
Provision for PF Payable	-	20.62	30.83
Provision for Gratuity	-	1.30	1.41
<b>Total</b>	<b>-</b>	<b>21.92</b>	<b>32.25</b>

#### Note 25: Revenue from Operations

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Sale of services</b>		
Rental Income	60,738.48	53,760.75
Advisory charges	1,800.00	8,999.84
Brokerage Income	-	1,268.00
<b>Total</b>	<b>62,538.48</b>	<b>64,028.58</b>

#### Note 26: Other Income

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Interest Income</b>		
on Bank Deposits	802.92	837.98
on Income Tax Refund	113.78	90.47
from wholly owned Subsidiary	1,196.03	53.53
on Inter Corporate Deposit	285.30	130.19
Interest on Preference Shares measured at amortised cost	42.32	-
Interest on Electricity Security Deposit	67.27	60.61
Dividend	3.30	-
<b>Other Non- Operating Income</b>		
Provision for Gratuity written back	93.56	-
Amortisation of financial guarantee	26.00	1,072.00
<b>Total</b>	<b>2,630.46</b>	<b>2,244.78</b>

#### Note 27: Employee Benefit Expenses

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
Salary and allowance	1,596.93	2,699.96
Contribution to PF and Other funds	54.20	128.76
Staff Welfare	18.58	24.58
Leave Encashment	-	169.82
<b>Total</b>	<b>1,669.72</b>	<b>3,023.13</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 28: Finance Cost

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Interest Expense		
- Cash Credit	20,295.50	1,258.13
- Term Loans / CC	20,439.12	29,093.53
- Others / Inter Corporate	1,376.37	7,866.57
- Interest on Preference Shares measured at amortised cost	33.83	-
b) Other borrowing cost		
Loan processing ,registration fee and stamp duty	103.50	414.69
Annual Maintenance Charges for loan account to NBFC	354.40	-
<b>Total</b>	<b>42,602.72</b>	<b>38,632.92</b>

#### Note 29: Other Expenses

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
Insurance	87.04	83.76
Rates and Taxes	4,119.39	4,098.21
Electricity charges	522.12	593.99
Repairs and Maintenance – Building	386.02	582.53
Repairs and Maintenance – Other	1,086.81	1,104.63
Conveyance & Travelling	109.47	308.30
Legal and Professional fees	2,216.19	2,029.57
Auditors' remuneration –		-
Audit fees	210.00	210.00
Tax Audit	25.00	25.00
Other Services	100.00	231.61
Provision for Bad debts / Bad debts	1,986.00	786.52
Directors sitting fees	355.00	255.00
Miscellaneous Expenses	1,748.19	1,622.05
<b>Total</b>	<b>12,951.23</b>	<b>11,931.16</b>

Notes to Financial Statements :

Note 30: Disclosure pursuant to Ind-AS 12 on “Income Taxes”

A. Components of Tax Expenses/(Income)

(₹ in ‘000)

a. Profit or Loss Section	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Tax	-	-
Deferred Tax	198.01	(867.76)
Tax Adjustment of Earlier Years	(5.78)	49.43
<b>Income Tax Expense reported in the statement of Profit or Loss</b>	<b>192.23</b>	<b>(917.19)</b>

b. Other Comprehensive Income Section	For the year ended March 31, 2018	For the year ended March 31, 2017
Remeasurements of Defined Benefit Plans	(2.60)	(9.89)
Effect of measuring Equity Instruments on Fair Value	4.88	-
<b>Income Tax Expense reported in Other Comprehensive Income</b>	<b>2.29</b>	<b>(9.89)</b>

B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in ‘000)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) before Tax	(5,752.38)	(881.05)
Corporate Tax rate as per Income Tax Act, 1961	25.75%	29.87%
Tax on Accounting Profit*	-	-
<b>*Tax effect of :</b>		
Income Exempt from Tax	-	-
Income considered separately	-	-
Expenses Allowed separately	-	-
<b>Current Tax Provision (A)</b>	<b>-</b>	<b>-</b>
Deferred Tax Liability recognised	200.61	(877.66)
<b>Deferred Tax Asset recognised</b>	<b>(2.60)</b>	<b>9.89</b>
<b>Deferred Tax (B)</b>	<b>198.01</b>	<b>(867.76)</b>
<b>Adjustments in respect of current income tax of previous years (C)</b>	<b>(5.78)</b>	<b>49.43</b>
<b>Tax expenses recognised during the year (A+B+C)</b>	<b>192.23</b>	<b>(917.19)</b>
<b>Effective tax rate</b>	<b>0.00%</b>	<b>0.00%</b>

\* In view of loss, Tax on Accounting Profit is Nil for the year ended March 31, 2018 and March 31, 2017.



**Notes to Financial Statements :**
**C. Deferred Tax  
2017-18**
**Components and Reconciliation of Deferred Tax (Assets)/Liabilities**

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	95.04	176.51	-	271.56
Unabsorbed depreciation	(3,671.93)	-	-	(3,671.93)
House Property loss	(906.37)	-	-	(906.37)
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	(24.09)	24.09	-	-
Unrealised (gain)/loss on FVTOCI equity securities	-	-	(4.88)	(4.88)
Net loss/(gain) on remeasurements of defined benefit plans	-	(2.60)	2.60	(0.00)
<b>Total</b>	<b>(4,507.35)</b>	<b>198.01</b>	<b>(2.29)</b>	<b>(4,311.63)</b>

**2016-17**
**Components and Reconciliation of Deferred Tax (Assets)/Liabilities**

(₹ in '000)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	(173.45)	268.49	-	95.04
Unabsorbed depreciation	(4,094.72)	422.79	-	(3,671.93)
House Property loss	(1,087.65)	181.27	-	(906.37)
Accrued Expenses allowable on cash basis (Section 43B of IT Act)	(29.19)	5.10	-	(24.09)
Net loss/(gain) on remeasurements of defined benefit plans	-	(9.89)	9.89	-
<b>Total</b>	<b>(5,385.01)</b>	<b>867.76</b>	<b>9.89</b>	<b>(4,507.35)</b>

**Note 31: Contingent Liabilities and Commitments**

(₹ in '000)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>A.</b>	<b>Contingent Liabilities</b>			
<b>a.</b>	<b>Claims against the Company/ disputed liabilities not acknowledged as debts</b>			
i.	Income-tax matters under appeal (AY 10-11)	19.91	19.91	-
ii.	Service Tax matters under appeal	10,197.58	10,197.58	10,197.58
iii.	FERA matter	16,186.00	16,186.00	16,186.00
	<b>Total</b>	<b>26,403.49</b>	<b>26,403.49</b>	<b>26,383.58</b>
<b>b</b>	<b>Guarantee given (refer footnote)</b>	<b>16,186.00</b>	<b>16,186.00</b>	<b>16,186.00</b>

**Notes to Financial Statements :**

**footnote:**

The Company received pay orders valuing to ₹ 5,072 (₹ in '000) from a customer in the financial year 1994-95 in respect of Money Changing business that were dishonored by a nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company had challenged the proceeding before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) which gave the ruling in favour of the Company for which the company has furnished a bank guarantee of ₹ 2,686 (₹ in '000) ((previous year ₹ 2,686 (₹ in '000)). The Customs Department filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is pending for disposal.

During the financial year 2007-08, the Company received an order imposing a penalty of ₹16,186 (₹ in '000) from the Office of the Special Director of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Company contends that it has complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is pending.

The Service Tax Department had raised a demand of ₹10,197.58/-(₹ in '000) , reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company has preferred an appeal and the same is still pending and the management, based on expert advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of accounts.

In respect of items above, it is not possible for the company to estimate the timings of cash outflows which would be determinable only on receipt of judgements pending at various forums/authorities.

The company does not expect any reimbursement in respect of above contingent liabilities.

B	Commitments	NIL	NIL	NIL
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**Note 32: Disclosures of transactions with related parties required under Ind AS 24 on “Related Party Disclosures”**

**A. List of Related Parties with whom transactions have taken place during the year**

**(I) Related parties where control exists:**

Subsidiary	Principal place of business	Proportionate ownership interest		
		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Nucleus IT Enabled Services Ltd (formerly known as Nucleus GIS And ITES Ltd)	India	100%	100%	100%
Asit C Mehta Investment Intermmediaries Ltd	India	49.17%	50.50%	50.50%

**(II) Related parties where significant influence exists and where transactions have taken place:**

Asit C Mehta Forex Private Limited  
 Asit C Mehta Commodity Services Limited  
 Edgytal Digital Marketing Pvt Ltd  
 Pentation Analytics Pvt Ltd (Upto 20th May, 2016)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### (III) Key Management Personnel (KMP)

Mr. Asit C Mehta	-	Director and Chairman
Mrs. Deena A. Mehta	-	Non-Executive Director
Mr. Kirit Vora	-	Non-Executive Director
Mr. Vijay Ladha	-	Independent Director
Mr. Radha Krishna Murthy	-	Independent Director
Mr. Pundarik Sanyal	-	Independent Director
Ms. Purvi Ambani	-	Chief Financial Officer (upto December 6, 2017)
Ms. Mamta Gautam	-	Chief Financial Officer (from December 14, 2017)
Mr. Pankaj J Parmar	-	Manager
Ms. Meha Sikarwar	-	Company Secretary and Compliance officer

#### (IV) Relative of Key Management Personnel (KMP)

Mr. Aditya Mehta	-	Son of Chairman
Mr. Aakash Mehta	-	Son of Chairman

### B. Transactions With Related Parties

		(₹ in '000)	
	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	<b>Rental Income</b>		
i.	Nucleus IT Enabled Services Limited	8,796.00	9,366.00
ii.	Asit C. Mehta Investment Intermediates Limited	16,560.00	16,560.00
iii.	Pentation Analytics Private Limited	-	2,485.00
iv.	Asit C Mehta Forex Private Limited	60.00	60.00
v.	Edgytal Digital Marketing Private Limited	720.00	80.00
vi.	Asit C Mehta Commodity Services Limited	120.00	60.00
vii.	Lasoon Live- Aakash	60.00	10.00
	<b>Interest Received on Loan</b>		
i.	Nucleus IT Enabled Services Limited	1,196.03	53.53
	<b>Guarantee charges recovered</b>		
i.	Asit C. Mehta Investment Intermediates Limited	26.00	1,072.00
	<b>Reimbursement of Expenses - Received</b>		
i.	Nucleus IT Enabled Services Limited	-	291.44
ii.	Asit C. Mehta Investment Intermediates Limited	-	506.34
i.	Pentation Analytics Pvt Limited	-	201.51
	<b>Interest Paid</b>		
i.	Pentation Analytics Private Limited	-	159.49
	<b>Advertising Exps Paid</b>		

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

(₹ in '000)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
i.	Edgytal Digital Marketing Private Limited	330.00	117.56
	<b>Reimbursement of Expenses - Paid</b>		
i.	Asit C. Mehta Investment Intermmediates Limited	-	145.51
	<b>Remuneration/Sitting Fees to KMP</b>		
i.	Ms. Purvi Ambani	1,339.74	1,806.59
ii.	Ms. Mamta Gautam	311.39	-
iii.	Mr. Asit C Mehta	50.00	40.00
iv.	Mrs. Deena A. Mehta	50.00	40.00
v.	Mr. Kirit Vora	75.00	60.00
vi.	Mr. Vijay Ladha	75.00	45.00
vii.	Mr. Radha Krishna Murthy	75.00	30.00
viii.	Mr. Pundarik Sanyal	30.00	40.00
	<b>Lease Deposit Received /(refunded) towards Premises</b>		
i.	Nucleus IT Enabled Services Limited	(10,000.00)	4,000.00
	<b>Loan Given</b>		
i.	Nucleus IT Enabled Services Limited	66,160.00	10,175.00
	<b>Loan Received back</b>		
i.	Nucleus IT Enabled Services Limited	54,879.05	12,809.12
	<b>Loan Received</b>		
i.	Mr. Asit C Mehta	-	2,700.00
ii.	Mrs. Deena A. Mehta	-	100.00
iii.	Pentation Analytics Pvt Ltd (Upto 20th May, 2016)	-	16,500.00
	<b>Loan Repaid</b>		
i.	Mr. Asit C Mehta	-	2,700.00
ii.	Mrs. Deena A. Mehta	-	100.00
iii.	Pentation Analytics Pvt Ltd (Upto 20th May, 2016)	-	16,500.00

(₹ in '000)

Compensation of Key Management Personnel of the Company	For the year ended March 31, 2018	For the year ended March 31, 2017
Short-term employee benefits	1,651.13	1,806.59
Post-employment benefits	-	-
<b>Total</b>	<b>1651.13</b>	<b>1806.59</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### C. Outstanding Balances

(₹ in '000)

	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	<b>Closing balance Receivable</b>			
i.	Nucleus IT Enabled Services Ltd	12,357.38	9.75	3,075.19
ii.	Asit C. Mehta Investment Intermmediates Limited	-	52.60	-
iii.	Pentation Analytics Pvt Ltd	-	21.68	-
iv.	Edgytal Digital Marketing Private Limited	-	-	57.25
	<b>Property Deposit Payable</b>			
i.	Nucleus IT Enabled Services Ltd	2,000.00	12,000.00	8,000.00
ii.	Asit C. Mehta Investment Intermmediates Limited	26,251.74	26,251.74	26,251.74
iii.	Pentation Analytics Pvt Ltd	-	25.00	25.00
iv.	Asit C Mehta Commodity Services Limited	1,500.00	1,500.00	-
	<b>Financial Guarantee Contracts Commission</b>			
i.	Asit C. Mehta Investment Intermmediates Limited	104.00	-	1,072.00
	<b>Investments</b>			
i.	Nucleus IT Enabled Services Ltd	30,000.00	30,000.00	30,000.00
ii.	Asit C. Mehta Investment Intermmediates Limited	1,26,127.07	1,25,997.07	1,25,997.07

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

#### Note 33:

Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans, Security provided and Investments :

(₹ in '000)

	Nature of the transaction	Purpose	As at March 31, 2018	As at March 31, 2017
<b>1</b>	<b>Inter Corporate deposits and Loans (Unsecured)</b>			
	Nucleus IT Enabled Services Ltd (formerly known as Nucleus GIS And ITES Ltd)	Business Purpose	12,357.38	-
<b>2</b>	<b>Security provided by way of mortgage of certain immovable property to Bank for extending Banking facilities</b>			
	Asit C Mehta Investment Intermmediates Limited	Business Purpose	13,000.00	-
<b>3</b>	<b>Investments</b>			
	For details refer note no. 4 to the accounts			

**Notes to Financial Statements :**
**Note 34: Earnings Per Share (EPS)**

Particulars	As at March 31, 2018	As at March 31, 2017
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in '000)	(5,944.62)	(1,798.24)
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	48,33,575	48,33,575
Face Value per Equity Share (in ₹)	10.00	10.00
Basic and Diluted Earnings per Share (in ₹)	(1.23)	(0.37)

**Note 35: Lease**
**(a) Where the Company is a lessor**

The Company has given premises under operating lease. These lease agreements range for a period between 12 months to 9 years and all are cancellable leases. Most of the leases are renewable for further period on mutual agreeable terms and also includes escalation clauses.

Rental Income Related to operating leases:

(₹ in '000)

S r . No.	Particulars	As at March 31, 2018	As at March 31, 2017
i	Rental Income recognised in profit and loss account	60,738.48	53,760.75
	<b>Total</b>		

**Note 36: Employee Benefits**

The Company has classified various employee benefits as under:

**A. Defined Contribution Plans**
**Provident Fund**

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to Provident Fund	54.20	91.26
<b>Total</b>	<b>54.20</b>	<b>91.26</b>

**Notes to Financial Statements :**
**B. Defined Benefit Plans  
Gratuity**

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	Particulars	Valuation as at		
		March 31, 2018	March 31, 2017	April 1, 2016
i.	Mortality	IALM(2006-08)Ult.		
ii.	Discount Rate (per annum)	7.69%	7.40%	8.00%
iii.	Rate of increase in Compensation levels (per annum)	5.00%	5.00%	5.00%
iv.	Attrition Rate	0.8% for all ages	0.8% for all ages	0.8% for all ages
v.	Retirement Age	58 years	58 years	58 years

- vi The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.
- vii The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Note on other risks:**

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** –A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

		(₹ in '000)	
Particulars		Year ended March 31, 2018	Year ended March 31, 2017
		Gratuity Unfunded	Gratuity Unfunded
<b>i.</b>	<b>Changes in Present value of Obligation</b>		
	Present value of defined benefit obligation at the beginning of the year	93.56	94.48
	Current Service Cost	-	29.94
	Interest Cost	6.92	7.56

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Gratuity Unfunded	Gratuity Unfunded
Actuarial (Gains)/Loss on obligation		
Actuarial (gains)/ losses arising from changes in financial assumption	-	6.74
Actuarial (gains)/ losses arising from changes in experience adjustment	(100.49)	(45.16)
Past Service cost - Vested Benefits		
Benefits Paid		
Present value of defined benefit obligation at the end of the year	-	93.56
<b>ii. Fair value of Plan Assets</b>		
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Fair value of plan assets at the end of the year	-	-
<b>iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss Account</b>		
PVO at end of period	-	93.56
Fair Value of Plan Assets at end of period	-	-
Funded Status	-	(93.56)
Net Assets/(Liability) recognised in the Balance Sheet	-	(93.56)
<b>iv. Net Benefit (Asset) /Liability</b>		
Defined benefit obligation at beginning of period	93.56	94.48
Fair value of plan assets at beginning of period	-	-
Net Benefit Asset /(Liability)	93.56	94.48
<b>v. Net Interest Cost for Current Period</b>		
Interest Cost	6.92	7.56
(Interest Income)	-	-
Net Interest Cost for Current Period	6.92	7.56
<b>vi. Expenses recognised in the Statement of Profit and Loss</b>		
Current Service Cost	-	29.94
Interest cost on benefit obligation (net)	6.92	7.56
Total Expenses recognised in the Statement of Profit and Loss	6.92	37.50
<b>vii. Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Gratuity Unfunded	Gratuity Unfunded
Actuarial (gains)/ losses arising from changes in financial assumption	-	6.74
Actuarial (gains)/ losses arising from changes in experience adjustment	(100.49)	(45.16)
Return on plan asset excluding net interest		
Recognised in Other Comprehensive Income	(100.49)	(38.42)
<b>viii. Movements in the Liability recognised in Balance Sheet</b>		
Opening Net Liability	93.56	94.48
Adjustment to opening balance	-	-
Expenses as above	6.92	37.50
Contribution paid	-	-
Other Comprehensive Income (OCI)	(100.49)	(38.42)
Closing Net Liability	-	93.56
<b>ix. Cash flow Projection: From the Fund</b>		
Within the next 12 months (next annual reporting period)	-	1.30
2nd following year	0.18	1.70
3rd following year	0.38	3.19
4th following year	0.60	4.78
5th following year	0.83	6.49
Sum of Years 6 To 10	2.48	32.86
<b>x. Sensitivity Analysis</b>		
Projected Benefit Obligation on Current Assumptions		
Delta Effect of +1% Change in Rate of Discounting	-	82.64
Delta Effect of -1% Change in Rate of Discounting	-	106.17
Delta Effect of +1% Change in Rate of Salary Increase	-	106.35
Delta Effect of -1% Change in Rate of Salary Increase	-	82.31
<b>xi. The major categories of plan assets as a percentage of total</b>		
Insurer managed funds	-	-

### Note on Sensitivity Analysis

Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

### Notes to Financial Statements :

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

### Note 37: Financial Instruments

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Valuation

- i. The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- ii. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

#### Fair Value measurement hierarchy

- i. The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.
- ii. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

**Notes to Financial Statements :**

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in '000)

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016				
	Carrying Amounts	Fair Value		Carrying Amounts	Fair Value		Carrying Amounts	Fair Value			
		Level 1	Level 2		Level 3	Level 1		Level 2	Level 3	Level 1	Level 2
<b>Financial Assets</b>											
Measured at Amortised Cost											
Investment in Preference Shares	512.48	-	-	-	-	-	-	-	-	-	-
Loans	12,412.79	-	-	4,203.00	-	-	3,815.13	-	-	-	-
Trade Receivable	4,299.98	-	-	4,483.46	-	-	3,955.58	-	-	-	-
Cash and Bank Balance	548.87	-	-	2,581.44	-	-	2,869.30	-	-	-	-
Other Bank Balance	11,347.69	-	-	11,209.08	-	-	11,004.25	-	-	-	-
Others	2,111.08	-	-	1,370.65	-	-	709.53	-	-	-	-
	31,232.89	-	-	23,847.63	-	-	22,353.80	-	-	-	-
Measured at FVTOCI											
Investment in equity instruments	171.45	-	-	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>31,404.34</b>	<b>171.45</b>	<b>171.45</b>	<b>23,847.63</b>	<b>-</b>	<b>-</b>	<b>22,353.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>											
Measured at Amortised Cost											
Borrowing	4,11,904.36	-	-	4,06,220.02	-	-	3,35,614.92	-	-	-	-
Trade Payables	4,094.96	-	-	2,388.55	-	-	8,438.95	-	-	-	-
Others	19,649.23	-	-	25,565.98	-	-	94,249.47	-	-	-	-
<b>Total Financial Liabilities</b>	<b>4,35,648.55</b>	<b>-</b>	<b>-</b>	<b>4,34,174.55</b>	<b>-</b>	<b>-</b>	<b>4,38,303.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to Financial Statements :**

**Note 38: Capital Management and Financial Risk Management Policy**

**A. Capital Management**

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Company monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

**Debt Equity Ratio - Total Debt divided by Total Equity** (₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total Debt	4,11,904	4,06,220	3,35,615
Total Equity	3,93,976	4,00,150	4,01,935
Debt Equity Ratio	1.05	1.02	0.83

**B. Financial Risk Management and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Company has exposure to following risk arising from financial instruments:

- Credit risk
- Market risk
- Liquidity risk

i) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

a) Trade Receivable

Customer credit risk managed by Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

b) Financial instruments

The Company limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The Company monitors changes in credit risk by tracking published external credit ranking.

**Notes to Financial Statements :**

## ii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

## a) Equity Risk

The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Company does not actively trade these investments. Profit for the year ended March 31, 2018 and March 31, 2017 would have been unaffected as the equity investments are FVTOCI and some investments were disposed off during the year and resulting profit/(loss) on sale of investment is recorded in Other Comprehensive Income.

## iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Company's financial liabilities.

(₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2018</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	36,367.24	-	3,75,537.12	4,11,904.36
Trade Payables	4,094.96	-	-	4,094.96
Other financial liabilities	19,649.23	-	-	19,649.23
	<b>60,111.43</b>	<b>-</b>	<b>3,75,537.12</b>	<b>4,35,648.55</b>
<b>As at March 31, 2017</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	72,307.74	-	3,33,912.28	4,06,220.02
Trade Payables	2,388.55	-	-	2,388.55
Other financial liabilities	25,565.98	-	-	25,565.98
	<b>1,00,262.27</b>	<b>-</b>	<b>3,33,912.28</b>	<b>4,34,174.55</b>
<b>As at April 1, 2016</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	92,869.16	-	2,42,745.76	3,35,614.92
Trade Payables	8,438.95	-	-	8,438.95
Other financial liabilities	94,249.47	-	-	94,249.47
	<b>1,95,557.58</b>	<b>-</b>	<b>2,42,745.76</b>	<b>4,38,303.34</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### Note 39: Information on Segment Reporting as per Ind AS 108 on “Operating Segments”

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Company has identified two reportable primary segments, Investment activities and Advisory and Consultancy services in term of Ind AS 108 on ‘ Operating Segment’.

(₹ in ‘000)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Segment Revenue (Sales / Services to external customers):</b>		
a. Investment Activities	60,738.48	55,028.75
b. Advisory and Consultancy services	1,800.00	8,999.84
<b>Total Revenue</b>	<b>62,538.48</b>	<b>64,028.58</b>
<b>B. Segment Results :</b>		
<b>Profit/ (Loss) before Tax and Interest</b>		
a. Investment Activities	37,503.00	31,724.96
b. Advisory and Consultancy services	(3,283.13)	3,783.40
<b>Total</b>	<b>34,219.87</b>	<b>35,508.37</b>
Add: Unallocable Income	2,630.46	2,244.78
Less: Interest Expense	42,602.72	38,632.92
<b>Profit/(Loss) before Tax</b>	<b>(5,752.38)</b>	<b>(879.76)</b>

(₹ in ‘000)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Other Information :</b>			
<b>Segment Assets</b>			
a. Investment Activities	(3,357.00)	(2,358.49)	(2,471.09)
b. Advisory and Consultancy services	2,580.93	3,193.60	3,313.89
c. Others – Unallocated	1,607.68	1.17	0.89
<b>Total</b>	<b>831.60</b>	<b>836.29</b>	<b>843.70</b>
<b>Segment Liabilities</b>			
a. Investment Activities	435.75	434.29	(2,317.32)
b. Advisory and Consultancy services	-	-	-
c. Others – Unallocated	-	-	-
<b>Total</b>	<b>435.75</b>	<b>434.29</b>	<b>(2,317.32)</b>
<b>Capital Expenditure during the year</b>			
a. Investment Activities			
– Tangible Fixed Assets	379.16	2,165.99	1,06,071.14
– Intangible Fixed Assets	-	-	400.00
b. Advisory and Consultancy services	-	-	-
c. Others – Unallocated	-	-	-
<b>Total</b>	<b>379.16</b>	<b>2,165.99</b>	<b>1,06,471.14</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

Depreciation during the year			
a. Investment Activities	13,053.69	13,051.65	4,180.27
b. Advisory and Consultancy services	643.97	515.55	367.88
c. Others – Unallocated	-	-	-
<b>Total</b>	<b>13,697.66</b>	<b>13,567.21</b>	<b>4,548.16</b>

- The Company does not have reportable segment, i.e Geographical Segement in terms of Ind AS 108 on “Operating Segments”.
- During the year ended 31st March 2017 and 31st March 2018 the Company made sales of Rs.38,238 (₹ in '000) to three of its customers and Rs.49,531.84 (₹ in '000) to four of its customers respectively in Investment activities segment.

### Note 40: Disclosure pursuant to Indian Accounting Standard (Ind AS) 101 “First time adoption of Indian Accounting Standards”

#### Effect of Ind AS Adoption on Balance Sheet as at March 31, 2017 and April 1, 2016

(₹ in '000)

A.	Particulars	As at 31 March 2017			As at 1 April 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
	<b>ASSETS</b>						
	<b>NON-CURRENT ASSETS</b>						
	(a) Property, Plant and Equipment (refer note 3)	6,43,710.86	(6,40,683.35)	3,027.52	6,55,032.78	(6,53,735.00)	1,297.78
	(b) Investment property (refer note 5)	-	6,40,683.35	6,40,683.35	-	6,53,735.00	6,53,735.00
	(c) Intangible assets	317.20	-	317.20	396.50	-	396.50
	(d) Financial Assets			-			-
	(i) Investments (refer note 2 & 4)	1,54,657.07	1,340.00	1,55,997.07	1,54,657.07	1,340.00	1,55,997.07
	(ii) Loans	9,684.97	(8,599.14)	1,085.83	7,409.76	(6,278.75)	1,131.02
	(e) Non-Current Tax Assets	-	6,465.63	6,465.63	-	4,006.21	4,006.21
	(f) Deferred Tax assets (refer note 8)	-	4,507.35	4,507.35	-	5,385.01	5,385.01
	(g) Other non-current assets	-	-	-	-	-	-
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,08,370.10</b>	<b>3,713.84</b>	<b>8,12,083.94</b>	<b>8,17,496.12</b>	<b>4,452.48</b>	<b>8,21,948.59</b>
	<b>CURRENT ASSETS</b>						
	(a) Financial Assets						
	(i) Trade receivables	4,483.46	-	4,483.46	3,955.58	-	3,955.58
	(ii) Cash and cash equivalents	13,790.52	(11,209.08)	2,581.44	13,873.56	(11,004.23)	2,869.33
	(iii) Bank balance other than (ii) above	-	11,209.08	11,209.08	-	11,004.23	11,004.23
	(iv) Loans	5,956.44	(2,956.44)	3,000.00	3,738.48	(1,054.36)	2,684.12
	(v) Others Financial Assets	-	1,487.82	1,487.82	-	709.53	709.53
	(b) Other current assets:	117.17	1,321.95	1,439.12	335.04	190.53	525.57
	<b>TOTAL CURRENT ASSETS</b>	<b>24,347.59</b>	<b>(146.67)</b>	<b>24,200.93</b>	<b>21,902.66</b>	<b>(154.31)</b>	<b>21,748.36</b>
	<b>TOTAL ASSETS</b>	<b>8,32,717.70</b>	<b>3,567.18</b>	<b>8,36,284.87</b>	<b>8,39,398.78</b>	<b>4,298.17</b>	<b>8,43,696.95</b>
	<b>EQUITY AND LIABILITIES</b>						
	<b>EQUITY</b>						
	(a) Equity Share capital (refer note 7)	49,525.60	(1,189.85)	48,335.75	49,525.60	(1,189.85)	48,335.75
	(b) Other Equity	3,45,767.78	6,046.03	3,51,813.81	3,48,927.91	4,671.72	3,53,599.63
	<b>TOTAL EQUITY</b>	<b>3,95,293.38</b>	<b>4,856.18</b>	<b>4,00,149.56</b>	<b>3,98,453.51</b>	<b>3,481.87</b>	<b>4,01,935.38</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

A.	Particulars	As at 31 March 2017			As at 1 April 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
	<b>LIABILITIES</b>						
	<b>NON-CURRENT LIABILITIES</b>						
	(a) Financial Liabilities						
	(i) Borrowings (refer note 6)	3,35,201.28	(1,289.00)	3,33,912.28	2,42,745.76	-	2,42,745.76
	(ii) Provisions	92.26	-	92.26	93.07		93.07
	(b) Deferred tax liabilities (refer note 8)	-		-	255.70	(255.70)	-
	(c) Other non-current liabilities	49,202.74	(49,202.74)	-	6,340.50	(5,268.50)	1,072.00
	<b>TOTAL NON- CURRENT LIABILITIES</b>	<b>3,84,496.28</b>	<b>(50,491.74)</b>	<b>3,34,004.54</b>	<b>2,49,435.03</b>	<b>(5,524.20)</b>	<b>2,43,910.83</b>
	<b>CURRENT LIABILITIES</b>						
	(a) Financial Liabilities						
	(i) Borrowings	21,500.00	50,807.74	72,307.74	50,000.00	42,869.16	92,869.16
	(ii) Trade payables	674.39	1,714.16	2,388.55	968.82	7,470.13	8,438.95
	(iii) Other financial liabilities	-	25,565.98	25,565.98	-	94,249.47	94,249.47
	(b) Provisions	21.92	-	21.92	32.25	-	32.25
	(c) Other Current Liabilities	30,731.72	(28,885.14)	1,846.58	1,40,509.18	(1,38,248.26)	2,260.92
	<b>TOTAL CURRENT LIABILITIES</b>	<b>52,928.04</b>	<b>49,202.74</b>	<b>1,02,130.78</b>	<b>1,91,510.24</b>	<b>6,340.50</b>	<b>1,97,850.74</b>
	<b>TOTAL LIABILITIES</b>	<b>4,37,424.31</b>	<b>(1,289.00)</b>	<b>4,36,135.32</b>	<b>4,40,945.27</b>	<b>816.30</b>	<b>4,41,761.57</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,32,717.70</b>	<b>3,567.18</b>	<b>8,36,284.87</b>	<b>8,39,398.78</b>	<b>4,298.17</b>	<b>8,43,696.95</b>

### B. Reconciliation of Statement of Profit and Loss for the year ended March 31,2017

(₹ in '000)

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>INCOME</b>			
Revenue from Operations	64,028.58		64,028.58
Other Income	1,215.52	1,029.27	2,244.78
<b>Total Income</b>	<b>65,244.10</b>	<b>1,029.27</b>	<b>66,273.37</b>
<b>EXPENSES</b>			
Employee benefits expense (refer note 1)	2,995.80	27.33	3,023.13
Finance costs	40,408.06	(1,775.15)	38,632.92
Depreciation and amortisation expense	13,567.21	-	13,567.21
Other expenses	11,639.43	291.74	11,931.16
<b>Total expenses</b>	<b>68,610.50</b>	<b>(1,456.08)</b>	<b>67,154.42</b>
<b>Profit/(loss) before exceptional items and tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) before tax</b>	<b>(3,366.40)</b>	<b>2,485.35</b>	<b>(881.05)</b>
Tax expense			
Current Tax	-	-	-
Deferred Tax	255.70	(1,123.46)	(867.76)
- Prior year tax adjustment	49.43	-	49.43
<b>MAT Credit</b>			<b>-</b>
<b>Total Tax Expense</b>	<b>206.27</b>	<b>(1,123.46)</b>	<b>(917.19)</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>Profit/(loss) for the period</b>	<b>(3,160.13)</b>	<b>1,361.89</b>	<b>(1,798.24)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss :			
Re-measurement gains/ (losses) on defined benefit plans	-	38.42	38.42
Income tax effect	-	(9.89)	(9.89)
<b>Other comprehensive income for the year, net of tax</b>	<b>-</b>	<b>28.53</b>	<b>28.53</b>
<b>Total comprehensive income for the year</b>	<b>(3,160.13)</b>	<b>1,390.41</b>	<b>(1,769.72)</b>

### C. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

(₹ in '000)

Particulars	As at March 31, 2017	As at April 1, 2016
<b>Total Equity as per previous GAAP</b>	3,95,293.38	3,98,453.51
<b>Adjustments :</b>		
a. Reduction of Treasury shares (refer note 7)	(1,192.39)	(1,192.39)
b. Actuarial losses/(gain) of retirement benefits transferred to Other Comprehensive Income (Net of taxes)	28.53	-
c. Expense not to be amortised	(146.66)	-
d. Financial guarantee commission Income (refer note 4)	1,340.00	268.00
e. Amortisation of Loan processing charges, Now classified (refer note 6)	1,289.00	-
f. Prior period expenses	16.11	-
g. Unamortised expenses reflected under Prepaid Expenses (Current + Non-Current)	(1,087.78)	(1,234.45)
h. Deferred Tax Assets	4,610.01	5,640.71
<b>Total adjustments</b>	<b>4,856.80</b>	<b>3,481.87</b>
<b>Total Equity as per Ind AS</b>	<b>4,00,150.18</b>	<b>4,01,935.38</b>

### D. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

(₹ in '000)

Particulars	For the year ended March 31, 2017
<b>Net Profit as per Previous GAAP</b>	<b>(3,160.13)</b>
Add /(Less) : Adjustments in Statement of Profit and Loss	
a. Expense not to be amortised	146.66
b. Actuarial losses/(gain) of retirement benefits transferred to Other Comprehensive Income	(38.42)
c. Taxes on account of above item (b)	9.89
d. Financial guarantee commission Income (refer note 4)	1,072.00
e. Amortisation of Loan processing charges, Now classified (refer note 6)	1,289.00
f. Prior period expenses (refer note 9)	16.11
g. Deferred Tax adjustment	(1,133.36)
<b>Total effect of transition to Ind AS</b>	<b>1,361.89</b>

**Notes to Financial Statements :**

<b>Particulars</b>	<b>For the year ended March 31, 2017</b>
Net profit as per Ind AS	(1,798.24)
Other Comprehensive Income (Net of Tax)	28.53
<b>Total Comprehensive Income</b>	<b>(1,769.72)</b>

**E. Notes to the Reconciliation****1 Defined Benefit Plans**

Under previous GAAP, actuarial gains and losses were recognised Statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability/ asset, are recognised in the Other Comprehensive Income instead of profit or loss. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

**2 Non-Current Investments**

The Company has valued Investment in Equity shares (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Other Comprehensive Income.

**3 Property, Plant and Equipment**

The company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

**4 Financial Guarantee Expenses**

“Under Ind AS, the Company has recognised fair value of financial guarantee provided to its subsidiary companies. The fair value of such guarantee as at April 01, 2016 has been recognised as additional capital investment in its subsidiaries company and is amortised over tenure of the loan. The impact of amortisation of such fair value of guarantee has been recognised in the statement of profit and loss as interest income for the year ended March 31, 2017.

**5 Investment Property**

“Pursuant to Ind AS requirements, investment property is presented separately. Under I-GAAP the same was presented as part of tangible assets. Tangible assets have been now divided into two categories under Ind AS viz. Property, plant and equipment and Investment property. Under Ind AS, in terms of para D7AA of Ind AS 101 on “First-time Adoption of Indian Accounting Standards”, the company has measured Investment Property as per the previous GAAP and use that as its deemed cost as at the date of transition.”

**6 Loan Processing charges**

Under Previous GAAP, the Company had recognised transaction costs incurred in respect of borrowings in the Statement of Profit and Loss or capitalised as part of cost of Property, Plant and Equipment/Capital work progress in the year in which costs were incurred. Under Ind AS 109, such transaction costs are adjusted against carrying value of borrowing and are amortised using effective interest rate method over the tenure of the loan. Accordingly loan were debited and corresponding credit was given to retained earnings or property plant and equipment on date of transition. Under Ind AS, finance cost has been charged to statement of profit and loss for amortisation of such transaction cost during the year ended 31 March 2016. A portion of such transaction cost that would be eligible for capitalisation as borrowing cost has been capitalised using effective interest rate method.

### Notes to Financial Statements :

#### 7 Treasury Shares

The Company's share held by Nucleus Stock Trust has been classified as treasury shares. Nucleus Stock Trust is a trust created wholly for the benefit of the Company and is being managed by trustees appointed by it. Refer Note-15

#### 8 Deferred Tax

Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Under I-GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

#### 9 Prior Period Errors

As per Ind AS 8, prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error. On the date of transition, Prior period error existing in the statement of profit and loss for the year ended March 31, 2017 is adjusted through Retained earnings.

For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

**Consolidated Financial Statements  
(2017-18)**

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at **31st March, 2018**, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended, under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for accuracy of the records including financial information considered necessary for the preparation of the consolidated Ind AS financial statements and ensuring 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; selection and application of appropriate accounting policies; making judgements 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 consolidated Ind AS 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 purposes of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 consolidated Ind AS 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 principles and procedures followed, 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 Ind AS 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 herein below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS 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 as at **31st March, 2018**, and their consolidated loss (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### OTHER MATTERS

We did not audit the consolidated Ind AS financial statements and other financial information of Asit C. Mehta Investment Intermediates Limited ("ACMIIL"), the subsidiary and of Asit C. Mehta Comdex Services, DMCC ("Comdex"), the overseas wholly owned subsidiary of ACMIIL, whose standalone financial statements were consolidated with standalone Ind AS financial statements of ACMIIL; and the standalone Ind AS financial statements of Nucleus IT Enabled Services Limited (NITES), the wholly owned subsidiary (together "entities"), both these financial statements, considered in the consolidated Ind AS financial statements, which reflect total assets of Rs. 11,15,988.504 thousands as at 31st March, 2018 (before elimination of intra-group transactions), total revenue of Rs. 4,35,838.673 thousands for the year ended 31st March, 2018 (before elimination of intra-group transactions) and net cash flows of Rs. 1,17,939.987 thousands, excluding cash flows of Comdex, if any, the cash flows statement of which has not been prepared. The standalone financial statements of ACMIIL are audited by the other auditors under the Companies (Accounting Standards) Rules, 2006, who have furnished modified auditor's report thereon, and these audited financial statements have been further restated by the Management in compliance with the Ind AS requirements, furnished to us, duly certified by the Management, which are unaudited. The said restated Ind AS financial statements have been consolidated by the Management with the financial statements of Comdex, which have been prepared by the Management in accordance with accounting principles generally accepted in India by converting the financial statements and financial information from the home currency of the Comdex into the Indian currency, which have not been further restated as per Ind AS requirements. These consolidated Ind AS financial statements (of ACMIIL with Comdex), duly certified by the Management, have been considered by us in the consolidated Ind AS financial statements.

Further, the Ind AS standalone financial statements of NITES are audited by the other auditors in compliance with the Ind AS requirements and they have furnished the unmodified auditor's report thereon. These Ind AS financial statements have been considered by us in consolidated Ind AS financial statements.

Our audit report on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of consolidated Ind AS financial statements of ACMIIL with Comdex and standalone Ind AS financial statements of NITES, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the said entities, is solely based on audited financial statements by the other auditors and such certified consolidated financial statements/financial statements and financial information, as the case may be, by the Management, and the reports by such auditors, wherever available.

Our opinion on the consolidated Ind AS financial statements and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the Reports of the other Auditor, wherever available, and the financial statements/financial formation certified by the Management.

The audited consolidated financial statements for the year ended 31st March, 2017 was carried out under the Companies (Accounting Standards) Rules, 2006 and reported by Manek & Associates, Chartered Accountants, vide their modified audit report dated 20th May, 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the consolidated financial statements. Our audit report is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/consolidated financial statements and other financial information of the entities, we report, to the extent applicable, that:
  - (a) we have sought and obtained all the other information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
  - (b) in our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated Ind AS financial statements, have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) the consolidated Balance Sheet, the consolidated Statement of Profit & Loss (including other comprehensive income), the consolidated Statement of changes in equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account relevant for the purpose of preparation of the consolidated Ind AS financial statements;
  - (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the applicable Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder to the extent applicable;
  - (e) on the basis of written representations received from the directors of the Holding Company as on 31st March, 2018 and taken on record by the Board of Directors of the Holding Company and based on the reports of the other auditors on the consolidated financial statements and the subsidiary, none of the directors of the Group are disqualified as on 31st March, 2018, 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 Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate report in **Annexure "A"** attached herewith;
  - (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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the separate financial statements/consolidated financial statements, wherever available, as also other financial information:
    - (i) the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note 33 to the consolidated Ind AS financial statements;
    - (ii) the Group did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
    - (iii) there has been no delay by the Holding Company in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101676 W**

**Mumbai:**  
**Dated: 29th May, 2018**

**(KIRAN C. SHAH) Partner**  
**Membership No. 032187**

### **ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

[Referred to in clause (f) of paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report of even date]

#### **Report on the Internal Financial Controls over Financial Reporting 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 Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as the “the Group”), as at and for the year ended **31st March, 2018**, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiaries. One of the subsidiaries (i.e. Comdex, the subsidiary of ACMIIL) is incorporated outside India and accordingly, this report does not cover the audit of the internal financial controls over financial reporting in respect of the said subsidiary.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiaries 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” (the “Guidance Note”) 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 the Group’s business, including adherence to Group’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 Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with 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 ICAI. 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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 Group’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, considering the reports of the other auditors on the internal financial controls of the subsidiaries, nature of activities, size of operation and organizational structure of the entity and exercise of controls through personal supervision by the management, the Group has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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.

### **OTHER MATTERS**

We did not audit the internal financial controls over financial reporting in so far as it relates to subsidiaries whose financial statements (excluding amounts of Comdex) reflect total assets of Rs. 11,08,830.483 thousands as at 31st March, 2018 (before elimination of intra-group transactions), total revenues of Rs. 4,35,838.673 thousands (before elimination of intra-group transactions) and net cash flows amounting to Rs. 1,17,939.987 thousands for the year ended on that date, as considered in the consolidated Ind AS financial statements. The internal financial controls over financial reporting, so far it relates to such subsidiaries audited by other auditors, whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls over financial reporting for the Group under section 143(i) of the Act, in so far it relates to such subsidiaries, is solely based on the reports of the auditors of such subsidiaries.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done and on the Report of the other Auditors.

**For CHANDRAKANT & SEVANTILAL & J. K. SHAH & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101676W**

**Mumbai:**  
**Dated: 29th May, 2018**

**(KIRAN C. SHAH) Partner**  
**Membership No. 032187**

# ASIT C. MEHTA FINANCIAL SERVICES LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31,2018

(₹ in '000)

Particulars	Note No.	As on March 31, 2018	As on March 31, 2017	As on April 1, 2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3A	23,617.14	28,377.92	28,087.07
(b) Capital work-in-progress (Intangible)	3A-1	9,601.60	-	-
(c) Investment Property	3B	6,27,629.66	6,40,683.35	6,53,735.00
(d) Goodwill	3C	40,012.01	40,012.01	41,658.39
(e) Other Intangible assets	3C	7,775.31	8,784.85	9,358.04
(f) Financial Assets				
(i) Investments	4	1,13,104.39	10,038.41	569.68
(ii) Loans	5	19,887.29	20,891.28	20,836.47
(iii) Others	6	50.00	50.00	50.00
(g) Non-Current Tax Assets	7	17,938.06	13,559.06	13,857.94
(h) Deferred Tax Assets (net)	8	-	12,936.34	22,823.13
(i) Other non-current assets	9	8,313.01	7,568.04	7,642.64
<b>Total Non Current Assets</b>		<b>8,67,928.47</b>	<b>7,82,901.26</b>	<b>7,98,618.36</b>
<b>(2) Current assets</b>				
(a) Financial Assets				
(i) Trade receivables	10	18,251.77	32,442.78	37,939.97
(ii) Cash and cash equivalents	11	1,55,565.66	39,658.25	44,169.73
(iii) Bank balance other than (ii) above	12	2,81,153.09	2,60,462.62	2,12,835.46
(iv) Loans	13	90,858.03	98,575.55	62,688.60
(v) Others Financial Assets	14	3,42,115.67	2,70,690.68	1,70,395.47
(b) Assets Classified as Held for Sale	15	-	-	5,526.18
(c) Other current assets	16	10,324.72	7,470.08	4,865.75
<b>Total Current Assets</b>		<b>8,98,268.94</b>	<b>7,09,299.96</b>	<b>5,38,421.16</b>
<b>Total Assets</b>		<b>17,66,197.41</b>	<b>14,92,201.22</b>	<b>13,37,039.52</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	17	48,335.75	48,335.75	48,335.75
(b) Other Equity	18	2,66,592.80	2,11,815.69	2,29,979.23
<b>Equity attributable to owners</b>		<b>3,14,928.55</b>	<b>2,60,151.44</b>	<b>2,78,314.98</b>
(c) Non Controlling Interest		32,125.35	24,267.16	36,565.17
<b>Total Equity</b>		<b>3,47,053.90</b>	<b>2,84,418.59</b>	<b>3,14,880.16</b>
<b>Liabilities</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	3,77,835.93	3,40,468.95	2,99,553.69
(ii) Other Financial Liabilities				
(b) Provisions	20	73.65	253.37	1,344.61
(c) Deferred tax liabilities (net)	21	12,083.01	-	-
(d) Other non-current liabilities	22	237.50	356.25	475.00
<b>Total Non- Current Liabilities</b>		<b>3,90,230.09</b>	<b>3,41,078.58</b>	<b>3,01,373.30</b>
<b>(2) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	23	3,57,531.00	3,56,679.69	4,20,398.22
(ii) Trade payables	24	3,67,619.20	4,06,828.31	2,49,146.89
(iii) Other financial liabilities	25	2,37,800.71	93,245.08	41,288.56
(b) Other current liabilities	26	64,209.35	9,156.74	9,623.20
(c) Provisions	27	1,753.15	794.20	329.16
<b>Total Current Liabilities</b>		<b>10,28,913.41</b>	<b>8,66,704.02</b>	<b>7,20,786.04</b>
<b>Total Liabilities</b>		<b>14,19,143.50</b>	<b>12,07,782.60</b>	<b>10,22,159.34</b>
<b>Total Equity and Liabilities</b>		<b>17,66,197.41</b>	<b>14,92,201.22</b>	<b>13,37,039.52</b>

Notes (Including Significant Accounting Policies) 1 to 42  
Forming Part of the Financial Statements  
The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in '000)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>INCOME</b>			
Revenue from operations	28	4,47,482.83	3,64,429.33
Other Income	29	24,733.09	29,690.88
<b>Total income</b>		<b>4,72,215.92</b>	<b>3,94,120.22</b>
<b>EXPENSES</b>			
Employee benefits expense	30	1,19,959.28	1,07,580.80
Finance costs	31	64,787.30	75,819.69
Depreciation and amortisation expense	3A to 3C	22,714.40	22,100.15
Other expenses	32	2,70,558.11	2,16,449.82
<b>Total expenses</b>		<b>4,78,019.09</b>	<b>4,21,950.45</b>
<b>Profit / (Loss) before tax</b>		<b>(5,803.17)</b>	<b>(27,830.23)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax (Assets) / Liability		(1,235.28)	(7,598.12)
- Prior year tax adjustment (Cr) / Dr		4.54	109.35
<b>Total Tax Expense</b>		<b>(1,239.81)</b>	<b>(7,707.47)</b>
<b>Profit / (Loss) for the year</b>		<b>(7,042.98)</b>	<b>(35,537.71)</b>
Other comprehensive income			
i) Items that will not be reclassified to profit or loss:			
a) Re-measurement gains/ (losses) on defined benefit plans		999.91	(1.35)
b) Effect of measuring Equity Instruments on Fair Value		91,365.41	7,668.73
c) Income Tax on (a) and (b)		(23,784.07)	(2,288.66)
<b>Other comprehensive income for the year, net of tax</b>		<b>68,581.25</b>	<b>5,378.72</b>
Total comprehensive income for the year (net of tax)		61,538.27	(30,158.99)
<b>Net Profit attributable to:</b>			
a) Owners of the Company		(13,368.90)	(23,202.85)
b) Non Controlling Interest		6,325.92	(12,334.86)
<b>Other Comprehensive Income attributable to:</b>			
a) Owners of the Company		67,719.45	5,274.82
b) Non Controlling Interest		861.80	103.90
<b>Total Comprehensive Income attributable to:</b>			
a) Owners of the Company		54,784.93	(19,031.04)
b) Non Controlling Interest		6,753.34	(11,127.94)
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic		(1.46)	(7.35)
Diluted		(1.46)	(7.35)

Notes (Including Significant Accounting Policies) 1 to 42

Forming Part of the Financial Statements

The above Profit &amp; Loss Account should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant &amp; Sevantilal &amp; J. K. Shah &amp; Co.

Chartered Accountants

Firm Reg. No: 101676W

(Kiran C. Shah) Partner

Membership No. 032187

Place : Mumbai

Date : May 29, 2018

For and on behalf of the Board of Directors

 Asit C Mehta  
 Chairman  
 DIN: 00169048

 Mamta Gautam  
 Chief Financial Officer

 Kirit Vora  
 Director  
 DIN: 00168907

 Meha Sikarwar  
 Company Secretary

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Consolidated Statement of Changes in Equity for the year ended March 31, 2018

#### A. Equity Share Capital

(₹ in '000)

<b>Balance as at April 1, 2016</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2017</b>	<b>48,335.75</b>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2018</b>	<b>48,335.75</b>

#### B. Other Equity

(₹ in '000)

Particulars	Reserves & Surplus				Total Other Equity	“ Non controlling Interest “	Total
	Capital Reserve	Securities Premium	Retained Earnings	Equity Instruments through OCI			
<b>Balance as at April 1, 2016</b>	<b>759.50</b>	<b>41,043.96</b>	<b>1,88,154.87</b>	<b>-</b>	<b>2,29,958.33</b>	<b>36,565.17</b>	<b>2,66,523.50</b>
Profit for the period			(23,202.85)		(23,202.85)	(12,334.86)	(35,537.71)
Other Comprehensive Income for the year				5,295.73	5,295.73	103.90	5,399.63
Adjustment for the year due to Ind AS transition			(235.52)		(235.52)	(67.06)	(302.58)
<b>Balance as at March 31, 2017</b>	<b>759.50</b>	<b>41,043.96</b>	<b>1,64,716.50</b>	<b>5,295.73</b>	<b>2,11,815.69</b>	<b>24,267.16</b>	<b>2,36,082.84</b>
Addition during the year		648.58			648.58	670.47	1,319.05
Profit for the period			(13,368.90)		(13,368.90)	6,325.92	(7,042.98)
Other Comprehensive Income for the year			-	67,719.45	67,719.45	861.80	68,581.25
Adjustment for the year due to Ind AS transition			(222.02)		(222.02)	-	448.46
<b>Balances as at March 31, 2018</b>	<b>759.50</b>	<b>41,692.54</b>	<b>1,51,125.58</b>	<b>73,015.18</b>	<b>2,66,592.80</b>	<b>32,125.35</b>	<b>2,99,388.63</b>

Notes (Including Significant Accounting Policies) 1 to 42  
Forming Part of the Financial Statements

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Chandrakant & Sevantilal & J. K. Shah & Co.

Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

		(₹ in '000)	
	Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	(5,803.17)	(27,830.23)
	<b>Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:</b>		
	Depreciation and Amortisation	22,714.40	22,100.15
	Interest Income	(24,424.12)	(28,517.88)
	Dividend Income	(3.60)	(6.62)
	Provision for Bad debts / Bad debts	1,986.00	786.52
	Provision for Gratuity written back	(93.56)	(771.66)
	Finance Costs	64,787.30	77,498.26
	Loss on Sale of Fixed Assets	3.66	53.62
	Fixed Assets Written Off	688.98	479.03
	Impairment Loss on Assets held for Disposal	-	5,526.18
	Foreign Exchange Gain / loss	364.45	-
	Goodwill Written off	-	1,670.60
	<b>Operating Profit Before Changes in Working Capital</b>	<b>60,220.33</b>	<b>50,987.95</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase) / Decrease in Trade Receivables	14,191.02	5,497.19
	(Increase) / Decrease in Other Financial Assets	(71,424.99)	(1,00,295.21)
	(Increase) / Decrease in Other Current Assets	(2,550.18)	(2,604.33)
	(Increase) / Decrease in Financial and Other Non Current Asset	259.02	19.79
	(Increase) / Decrease in Financial Assets Loan	(13,412.95)	(1,236.95)
	Increase / (Decrease) in Trade Payables, Other Current Liabilities and short-term Provisions	16,802.45	1,57,680.00
	Increase / (Decrease) in Security deposit	(3,949.66)	(1,319.38)
	Increase / (Decrease) in Other Financial Liability	1,44,555.63	51,956.52
	Increase / (Decrease) in Long term provision	(179.73)	(1,091.24)
	<b>Cash Generated from Operations</b>	<b>1,44,510.95</b>	<b>1,59,594.35</b>
	Less: Direct taxes refund/(paid) [net]	(2,039.53)	2,149.98
	<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>1,42,471.41</b>	<b>1,61,744.33</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest Received	24,424.12	28,517.88
	Placement of Bank Fixed deposits (net)	(20,690.48)	(47,627.16)
	Dividend Received	3.60	6.62
	Inter Corporate loan Given (net)	21,130.47	(34,650.00)
	Adjustment of carrying value in Fixed Assets	-	(5,526.18)
	Purchase of Property, Plant and Equipment	(14,179.76)	(9,369.43)
	Sale of Fixed Assets	172.80	46.40
	Purchase of Investment (net)	(17,810.41)	(1,800.00)
	<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(6,949.65)</b>	<b>(70,401.87)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Finance Costs	(64,787.30)	(77,498.26)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

(₹ in '000)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
(Repayment) / Proceed on Term Loan	40,371.97	44,043.47
(Repayment) / Borrowing of Short Term Loan	4,800.97	(62,399.16)
<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>(19,614.35)</b>	<b>(95,853.94)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>1,15,907.41</b>	<b>(4,511.48)</b>
Cash on hand	488.98	604.03
Balances with scheduled banks on current accounts	39,169.28	43,565.70
<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>39,658.25</b>	<b>44,169.73</b>
Cash on hand	268.35	488.98
Balances with scheduled banks on current accounts	1,55,297.31	39,169.28
<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>1,55,565.66</b>	<b>39,658.25</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,15,907.41</b>	<b>(4,511.48)</b>

### Note :

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
- Figures in brackets represent outflows / deductions.

As per our report of even date attached  
For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

## Notes forming part of the Consolidated Financial Statements:

### 1 Corporate Information

The Consolidated Financial Statements s comprise the financial statements of Asit C Mehta Financial Services Limited ('the Company'), Asit C Mehta Investment Interrmediates Limited ('the Subsidiary') and Nucleus IT Enabled Services Limited ('the Wholly owned Subsidiary'), hereinafter together referred to as Group.

Asit C Mehta Financial Services Limited ("the company") is a Public Limited Company Incorporated and domiciled in India and has its registered office in Nucleus House, Saki Vihar Road, Sakinaka, Mumbai - 400072. The shares of the company are listed on BSE Limited.

The Company is engaged in the business of Renting of immovable properties . The Company has classified the aforesaid business as an 'investment activities'. The Company is also rendering 'Advisory and Consultancy Services'.

The WOS is mainly engaged in information technology enabled services and provides services to clients both domestic and abroad. It has started the Debt Recovery business during the year.

The Subsidiary is a member of BSE Ltd., The National Stock Exchange of India Ltd. ("NSE") and is engaged in shares and securities broking in cash, derivative including currency derivative segment, debt markets and mutual fund along with other fund mobilization. The Subsidiary is a Category- I Merchant Banker registered under the Securities & Exchange Board of India (Merchant Bankers) Regulations, 1992 and is also engaged in providing services of Investment Banking , Corporate Finance & Advisory . It has also started providing the services of Portolio Management Services and has obtained the Insurance Business and PFRDA licenses during the year.

The Subsidiary is also a Depository Participant of Central Depository Services (India) Ltd. and providing services as Depository Participant.

The Consolidated Financial Statements s for the year ended March 31, 2018 are approved for issue by the Company's Board of Directors on 29th May, 2018.

### 2 Significant Accounting Policies

#### i Compliance with Ind AS

##### a. Basis of Preparation

The Consolidated Financial Statements s of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

For all periods upto and including for the financial year ended March 31, 2017, the Company prepared its Consolidated Financial Statements s in accordance with Accounting Standards specified under Section 133 of the Act read with applicable rules and the relevant provisions of the Act ("Previous GAAP"). The figures for the year ended March 31, 2017 have now been restated as per Ind AS to provide comparability.

The Consolidated Financial Statements s for the year ended March 31, 2018 are the Company's first Ind AS Consolidated Financial Statements s. The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, "First-Time Adoption of Indian Accounting Standards", the date of transition to Ind AS being April 1, 2016. Refer to Note 40 for details of adoption of Ind AS.

##### b. Basis of Consolidation

The Consolidated Financial Statements s have been prepared on the following basis:

**Notes forming part of the Consolidated Financial Statements:**

- The Financial Statement of the Company and its subsidiaries have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions resulting in unrealised profits / losses as per Ind AS 110.
- The difference between the group costs of Investments in the subsidiaries, over its portion of equity at the time of acquisition of shares is recognised in the Consolidated Financial Statements as Goodwill. The Goodwill recognised in the Consolidated Financial Statements is tested for impairment, if any.
- Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the Non-controlling shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in equity, subsequent to the dates on investment. Net profit / loss for the year of the subsidiaries attributable to Non-controlling 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.
- Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.
- For the purposes of consolidation, unaudited financial statements of the foreign subsidiary for the period 1st April 2017 to 31st March, 2018 has been prepared and certified by the management and the same has been considered for consolidation.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

**The subsidiary companies considered in the Consolidated Financial Statements are:**

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>% of voting power held as at 31.3.2018</b>
1. Nucleus IT Enabled Services Ltd (NITES)	India	100
2. Asit C Mehta Investment Intermmediates Ltd (ACMIIL)	India	49.17
3. Asit C Mehta Comdex Services, DMCC (100% Wholly Owned Subsidiary of Asit C Mehta Investment Intermmediates Limited)	UAE	49.17

The Financial Statements of the Subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31.3.2018.

**ii Historical cost convention**

The Consolidated Financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets and liabilities
- Defined Benefits Plans- Plan assets

**iii Functional and presentation currency**

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency excepting overseas wholly owned subsidiary whose functional currency is Arab Emirates Dirham (AED) and which is converted into INR and accordingly all amounts are in INR and all amounts are rounded off to the nearest thousand (INR '000) upto two decimals, except when otherwise indicated.



**Notes forming part of the Consolidated Financial Statements:**

**2.1 Property, Plant and Equipment (PPE)**

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. PPE are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Consolidated Statement of Profit and Loss.

**2.2 Depreciation**

Depreciation on Property, Plant and Equipment is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013. The Group has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

In respect of ACMIL - the subsidiary of the Company:

In respect of each item of the Fixed Assets, existing on the date of the applicability of the requirements of the Schedule II, i.e. on 01.04.2014, the Company has got evaluated technically by the Valuation Advisor, by examining physically each such items of Fixed Assets, as to their possible total useful lives from the respective dates of purchases, acquisition, etc. and based thereon, the balance remaining useful lives. In respect of additions during the year, the Company has adopted the useful lives of respective item of fixed assets as specified in Part C of schedule II of the Companies Act 2013.

These useful lives, as determined by the Valuation Advisors, are different from the useful lives as specified in Part C of the Schedule II, and the details of which are as under:

<b>Assets</b>	<b>As per Valuer's report</b>	<b>As per Part C of Schedule II</b>
Furniture and Fixture	12 Years	10 years
Computer - End Users	8 years	3 Years
Computer - Server, HUB, Router	10 years	6 years
Office Equipment	11 years	5 years
Other Equipements **	14 Years	5 years
Electrical Installation	14 Years	10 years
Vehicles	10 years	8 years

### Notes forming part of the Consolidated Financial Statements:

Justification for adopting longer useful lives

- i) Due to Regular Maintenance through Qualified Technicians onsite.
- ii) Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product.
- iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.

### 2.3 Investment Property

Property that is held to earn rentals or for capital appreciation or both, is classified as an Investment Property. It is measured initially at its cost, including related transaction costs. Subsequently, it is carried at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses (Refer Note 3B). Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Consolidated Statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

Depreciation of Investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the management, corresponds to those prescribed by the schedule II - Part 'C'.

### 2.4 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per Ind AS 38. Software is being amortised over a period of ten years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from derecognition of an Intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

### 2.5 Non-current Assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less cost to sell. The determination of fair value less cost to sell includes use of managements estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (mainly Income and Market approach), which include unobservable inputs.

### 2.6 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

### Notes forming part of the Consolidated Financial Statements:

An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss.

### 2.7 Consolidated Statement of Cash Flows

Cash flows are reported using the indirect method, whereby the Consolidated net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### 2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

### 2.9 Segment Reporting

The company identifies primary segments based on the dominant source, nature of risk and returns and Internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources in assessing the performance.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting Consolidated Financial Statements of the group as a whole. Common allocable cost are allocated to each segment on an appropriate basis.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to activities of the segment.

Revenue, expenses, assets and liabilities which relates to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities" respectively.

### 2.10 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Notes forming part of the Consolidated Financial Statements:

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the Consolidated Financial Statements.

### 2.11 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### Rental Income

Rental Income is accounted as and when accrues.

#### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

#### Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

#### Advisory

Revenue from advisory, brokerage and consultancy services is recognised on rendering of services / work performed,

#### Share Trading

Income from share trading activity is recognized on selling of shares;

#### Revenue from Depository operations

Revenue from Depository operations is considered to accrue as one time Transaction charges based on the financial year; Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction.

#### Income from Broking Services

Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction. Income from Brokerage, Demat charges, Fund Mobilization & Corporate Advisory services are exclusive of service tax.

### Notes forming part of the Consolidated Financial Statements:

#### Income from Information Technology Enabled Services (ITES) and Software services

Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers;

#### 2.12 Operating Leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership.

Lease rentals on assets under operating lease are recognized or charged to the Consolidated Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

Where the rental are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

#### 2.13 Employee Benefits

##### (i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year in which the related service is rendered.

##### (ii) Long-term employee benefits:

- **Defined Contribution Plan:**

###### **Provident Fund:**

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions if any, are made to the Central Provident Fund under the State Pension Scheme. Provident Fund is classified as Defined Contributions Plans as the Group has no further obligation beyond making the contribution. Provident funds contribution if any, is charged to the Consolidated statement of profit and loss as incurred.

- **Defined Benefit Plan:**

###### **a. Gratuity:**

The Group has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

### Notes forming part of the Consolidated Financial Statements:

Remeasurement, comprising actuarial gains and losses is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation.

#### **b. Compensated absences:**

The Group provides for encashment of leave or leave with pay subject to certain rules. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Statement of Profit and loss in the year in which they arise.

### **2.14 Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

#### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### **Current and Deferred Tax**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other

### Notes forming part of the Consolidated Financial Statements:

comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### 2.15 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares, if any, outstanding during the year, except where the results would be anti-dilutive.

#### 2.16 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

##### Initial Recognition:

Financial assets and Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

##### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVTOCI") or Fair Value Through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

##### Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Fair Value through Other Comprehensive Income (OCI):

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Notes forming part of the Consolidated Financial Statements:

#### **Fair Value through Profit or Loss:**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Classification and Subsequent Measurement: Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

#### **Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Impairment of financial assets:**

The Group recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective rate of interest.

#### **Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset.



### Notes forming part of the Consolidated Financial Statements:

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit or loss if such gain or loss would have otherwise been recognised in statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### Financial liabilities and equity instruments:

- **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognised at the proceeds received.

### 2.17 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognized as cost of investment.

#### Derecognition of financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

#### Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### Notes forming part of the Consolidated Financial Statements:

#### 2.18 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Consolidated Financial Statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Key estimates, assumptions and judgements**

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

##### **Income taxes**

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits.

##### **Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

##### **Employee Benefit Plans**

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### **Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

##### **Recoverability of Trade Receivables**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision

### Notes forming part of the Consolidated Financial Statements:

against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **Fair Value measurements of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **Impairment of Assets**

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

#### **Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

### **2.19 First-time adoption-mandatory exceptions, optional exemptions**

#### **Overall Principle**

The Company has prepared the Opening Balance Sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company detailed below:

#### **Significant items are as discussed below:**

##### **i) Deemed Cost for PPE, Intangible assets and Investment Property**

On transition to Ind AS, the Company has elected the continue with the carrying value of all its property, plant and equipment, intangibles assets and investment property recognised as of the transition date, that is, as at April 1, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such Property, Plant and Equipment, Intangibles Assets and Investment Property. Accordingly, the net block as at March 31, 2016 of these assets as per the Previous GAAP have been considered as the deemed cost.

##### **ii) Investments**

“The Company has elected to carry its investment in subsidiaries and associate at deemed cost, which is its previous GAAP carrying amount at the date of transition. The Company has designated investment in equity shares (other than subsidiaries and associate) held at the date of transition as fair value through OCI.

### Notes forming part of the Consolidated Financial Statements:

#### 2.20 Ind AS issued but not effective

Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS:

##### **Ind AS 21: The Effects of Changes in Foreign Exchange Rates**

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration is inserted to clarify the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The Appendix explains that the date of the transaction, for the purpose of determining the exchange rate, to use on the initial recognition of the related asset, expense or income (or part of it) is the date on which the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

If there are multiple payments or receipts in advance, the date of the transaction is determined for each payment or receipt of advance consideration.

##### **Ind AS 115: Revenue from Contracts with Customers**

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 on "Revenue" and Ind AS 11 on "Construction Contracts".

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Further, Ind AS 115, requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

##### **Ind AS 115 permits two possible methods of transition:**

- **Retrospective approach** - Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- **Cumulative catch - up approach** - Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch - up approach) only to contracts that are not completed contracts on that date. Under this method, cumulative effect is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period.

The effective date for adoption of Ind AS 115 is accounting period beginning on or after April 1, 2018.

The effect on adoption of Ind AS 115 is expected to be insignificant.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 3A: Property, Plant and Equipment:

(₹ in '000)

Particulars	Computers	Electric Fittings	Furnitures and fixtures	Motor Vehicles	Office and Other Equipments	Solar System	Air Conditioner	Projector	Total
<b>(I) Gross Carrying Value</b>									
<b>Balance as at April 1, 2016</b>	<b>3,956.49</b>	<b>974.84</b>	<b>11,697.86</b>	<b>505.33</b>	<b>10,927.52</b>	-	<b>17.59</b>	<b>7.43</b>	<b>28,087.07</b>
Additions during the year	2,195.02	-	-	3,540.91	1,019.45	1,803.80	-	-	8,559.18
Deductions/Adjustments during the year	(15.91)	-	(15.03)	-	(548.09)	-	-	-	(579.03)
<b>Balance as at March 31, 2017</b>	<b>6,135.60</b>	<b>974.84</b>	<b>11,682.83</b>	<b>4,046.24</b>	<b>11,398.88</b>	<b>1,803.80</b>	<b>17.59</b>	<b>7.43</b>	<b>36,067.22</b>
Additions during the year	3,755.90	-	-	-	121.69	379.16	-	-	4,256.76
Deductions/Adjustments during the year	(944.50)	(1,291.54)	-	(82.30)	(1,027.23)	-	-	-	(3,345.57)
<b>Balance as at March 31, 2018</b>	<b>8,947.01</b>	<b>(316.70)</b>	<b>11,682.83</b>	<b>3,963.94</b>	<b>10,493.35</b>	<b>2,182.96</b>	<b>17.59</b>	<b>7.43</b>	<b>36,978.41</b>
<b>(II) Accumulated Depreciation</b>									
<b>Balance as at April 1, 2016</b>	-	-	-	-	-	-	-	-	-
Depreciation expense for the year	1,455.69	206.00	2,960.13	274.07	2,785.91	7.51	-	-	7,689.31
<b>Balance as at March 31, 2017</b>	<b>1,455.69</b>	<b>206.00</b>	<b>2,960.13</b>	<b>274.07</b>	<b>2,785.91</b>	<b>7.51</b>	-	-	<b>7,689.31</b>
Depreciation expense for the year	2,047.32	176.99	2,914.81	523.83	2,451.38	115.45	-	-	8,229.78
Deductions/Adjustments during the year	(892.48)	(805.15)	-	-	(860.18)	-	-	-	(2,557.81)
<b>Balance as at March 31, 2018</b>	<b>2,610.53</b>	<b>(422.16)</b>	<b>5,874.94</b>	<b>797.90</b>	<b>4,377.11</b>	<b>122.96</b>	-	-	<b>13,361.28</b>
<b>Net Carrying Value (I-II)</b>									
<b>Balance as at April 1, 2016</b>	<b>3,956.49</b>	<b>974.84</b>	<b>11,697.86</b>	<b>505.33</b>	<b>10,927.52</b>	-	<b>17.59</b>	<b>7.43</b>	<b>28,087.07</b>
<b>Balance as at March 31, 2017</b>	<b>4,679.91</b>	<b>768.84</b>	<b>8,722.70</b>	<b>3,772.17</b>	<b>8,612.98</b>	<b>1,796.29</b>	<b>17.59</b>	<b>7.43</b>	<b>28,377.92</b>
<b>Balance as at March 31, 2018</b>	<b>6,336.48</b>	<b>105.46</b>	<b>5,807.89</b>	<b>3,166.04</b>	<b>6,116.25</b>	<b>2,060.00</b>	<b>17.59</b>	<b>7.43</b>	<b>23,617.14</b>

#### Note 3A - 1: Capital work-in-progress (Intangible)

Capital work-in-progress represent software for online trading of shares and securities and Mobile application under development . Total amount of Rs.9,601.60 (₹ in '000) represents amounts given as advances.

#### Note 3B: Investment Property:

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
<b>Balance as at April 1, 2016</b>	<b>6,53,735.00</b>
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2017</b>	<b>6,53,735.00</b>
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2018</b>	<b>6,53,735.00</b>
<b>(II) Accumulated Depreciation</b>	
<b>Balance as at April 1, 2016</b>	-
Depreciation expense for the year	13,051.65
Deductions/Adjustments during the year	-
<b>Balance as at March 31, 2017</b>	<b>13,051.65</b>
Depreciation expense for the year	13,053.69

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

Deductions/Adjustments during the year	-
<b>Balance as at March 31, 2018</b>	<b>26,105.34</b>
<b>Net Carrying Value (I-II)</b>	
<b>Balance as at April 1, 2016</b>	<b>6,53,735.00</b>
<b>Balance as at March 31, 2017</b>	<b>6,40,683.35</b>
<b>Balance as at March 31, 2018</b>	<b>6,27,629.66</b>

The Company has, inter alia, leased some of its immovable property to two of its subsidiaries, that is leased to entities within the Group and therefore, in terms of the relevant provisions of Ind AS 40 on "Investment Property" such leased immovable property to the extent so leased, would not be regarded as Investment Property from the perspective of the Group, being in nature of "owner occupied property" as so defined in the said Ind AS and accordingly, such immovable property needs to be presented as Property, Plant & Equipment ("PPE") in consolidated financial statements ("CFS") of the Group. However, it is not practicable or possible to ascertain or find out the cost or deemed cost of such immovable leased property for presenting as PPE in CFS. In view of this, in CFS, the Group has not separately presented the amount pertaining to such leased immovable property as PPE and has continued to disclose under Investment Property only.

### Note 3C: Other Intangible Assets:

(₹ in '000)

Particulars	Computer Software	Goodwill	Total
<b>(I) Gross Carrying Value</b>			
<b>Balance as at April 1, 2016</b>	<b>9,358.04</b>	<b>41,658.39</b>	<b>51,016.43</b>
Additions during the year	786.00	-	786.00
Deductions/Adjustments during the year	-	(1,646.38)	(1,646.38)
Other Adjustments during the year	-	-	-
<b>Balance as at March 31, 2017</b>	<b>10,144.04</b>	<b>40,012.01</b>	<b>50,156.05</b>
Additions during the year	421.40	-	421.40
Deductions/Adjustments during the year	-	-	-
Other Adjustments during the year	-	-	-
<b>Balance as at March 31, 2018</b>	<b>10,565.44</b>	<b>40,012.01</b>	<b>50,577.45</b>
<b>(II) Accumulated Depreciation</b>			
<b>Balance as at April 1, 2016</b>	-	-	-
Depreciation expense for the year	1,359.19	-	1,359.19
Deductions/Adjustments during the year	-	-	-
<b>Balance as at March 31, 2017</b>	<b>1,359.19</b>	-	<b>1,359.19</b>
Depreciation expense for the year	1,430.94	-	1,430.94
Deductions/Adjustments during the year	-	-	-
<b>Balance as at March 31, 2018</b>	<b>2,790.13</b>	-	<b>2,790.13</b>
<b>Net Carrying Value (I-II)</b>			
<b>Balance as at April 1, 2016</b>	<b>9,358.04</b>	<b>41,658.39</b>	<b>51,016.43</b>
<b>Balance as at March 31, 2017</b>	<b>8,784.85</b>	<b>40,012.01</b>	<b>48,796.86</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 4: Investments : Non-current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI)</b>			
<b>In Equity Shares</b>			
<b>Quoted</b>			
7,000 (As on 31st March 2017 - 7,000: As on 1st April 2016 - 7,000) Equity shares of Rs.10 each fully paid in Omnitex Industries (India) Limited	124.95	141.49	91.00
694 (As on 31st March 2017 - 694: As on 1st April 2016 - 694) Equity shares of Re.1 each fully paid in BSE Limited	524.80	678.49	260.25
1,500 Equity shares In Gujarat State Fertilizers & Chemicals Ltd	171.45	-	-
1,56,000 Equity Shares of IRIS Business Services Limited	7,012.20	-	-
Investment in Shares and Securities * ( As per Annexure -A )	4,515.00	-	-
<b>Unquoted</b>			
1,80,000 (As at March 31, 2017 - 1,80,000) Equity shares of Rs. 10 each of Pentation Analytics Private Limited	99,000.00	9,000.00	-
2,750 (As on 31st March 2017 - 2,750: As on 1st April 2016 - 2,750) Equity shares of Re.1 each fully paid up in Vippy Industries Limited	18.43	18.43	18.43
2,00,000 (As on 31st March 2017 - 2,00,000: As on 1st April 2016 - 2,00,000) shares of Rs. 10 each fully paid up in Asit C. Mehta Commodity Services Ltd.	200.00	200.00	200.00
<b>Investments measured at Amortised cost</b>			
<b>In Preference Shares</b>			
<b>Unquoted</b>			
7,50,000 Redeemable Preference Shares of Rs. 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	1,537.57	-	-
<b>Total</b>	<b>1,13,104.39</b>	<b>10,038.41</b>	<b>569.68</b>
Aggregate amount of unquoted investments	1,00,756.00	9,218.43	218.43
Aggregate amount of quoted investments	12,348.40	819.98	351.25

#### Annexure A

(₹ in '000)

Sr No	Name of Shares and Securities	No of Shares & Securities	Fair Value as on 31.03.2018 (per script)	Total FV on 31.03.2018
1	Allcargo Logistics Limited	375	147.75	55.41
2	Bajaj Auto Limited	74	2,748.90	203.42
3	Balmer Lawrie & Company Limited	290	217.20	62.99
4	Cyient Limited	140	688.80	96.43
5	D B Corp Limited	230	304.95	70.14
6	Finlex Industries Limited	120	651.30	78.16

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

7	HCL Technology Limited	280	969.50	271.46
8	Hero Moto Corp Limited	65	3,545.50	230.46
9	Hindustan Zinc Limited	263	300.95	79.15
10	Infosys Limited	278	1,134.40	315.36
11	Jagran Prakashan Limited	458	171.35	78.48
12	KPIT Technologies Limited	465	216.75	100.79
13	Reliance ETF Liquid BeES	500	1,000.00	500.00
14	Larsen & Toubro Infotech Limited	75	1,341.15	100.59
15	Mphasis Limited	110	843.70	92.81
16	MPS Limited	124	495.75	61.47
17	Munjali Showa Limited	285	204.45	58.27
18	NIIT Technologies Limited	125	864.25	108.03
19	PTC India Financial Services Limited	4,044	24.20	97.86
20	Rallis India Limited	298	236.55	70.49
21	Rural Electrification Corporation Limited	1,585	125.05	198.20
22	Supreme Petrochem Limited	210	320.90	67.39
23	Tata Sponge iron Limited	135	923.70	124.70
24	Bharti Infratel Limited	100	336.25	33.63
25	Aurobindo Pharma Limited	240	557.25	133.74
26	Coal India Limited	635	283.50	180.02
27	Exide Industries Limited	800	221.95	177.56
28	NMDC Limited	1,220	118.65	144.75
29	Petronet LNG Limited	665	231.30	153.81
30	Tata Consultancy Services Limited	64	2,849.30	182.36
31	Tech Mahindra Limited	350	638.30	223.41
32	Zee Entertainment Enterprises Limited	284	576.30	163.67
				<b>4,515.00</b>

### Note 5: Loans : Non-current

(₹ in '000)

	Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
	<b>Unsecured, considered good</b>			
(i)	Security Deposits	1,131.84	1,085.83	1,131.02
(ii)	Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations			
	The National Securities Clearing Corporation Limited	16,900.00	16,900.00	16,900.00
	BSE Ltd.	125.00	125.00	125.00
	Central Depository Services (India) Ltd	750.00	750.00	750.00
	Metropolitan Stock Exchange of India Ltd.	-	1,000.00	1,000.00
(iii)	Other Loans / Deposits			
	Deposits for Premises and Other Deposits	980.45	1,030.45	930.45
	<b>Total</b>	<b>19,887.29</b>	<b>20,891.28</b>	<b>20,836.47</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 6: Financial Asset - Other

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
Margin Money with Bank for Bank Guarantee	50.00	50.00	50.00
(100% margin money for BG favouring custom department of EOU bonding dated April 4, 2009 Maturity beyond 12 Month)			
<b>Total</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

#### Note 7: Current Tax Assets (net) : Non-current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
Advance Income Tax	17,938.06	13,559.06	13,857.94
<b>Total</b>	<b>17,938.06</b>	<b>13,559.06</b>	<b>13,857.94</b>

#### Note 8: Deferred Tax Assets (Net):

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
Deferred Tax Assets	-	12,936.34	22,823.13
<b>Total</b>	<b>-</b>	<b>12,936.34</b>	<b>22,823.13</b>

#### Note 9: Other Non-Current Assets:

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
(i) Prepaid amount on Preference Shares			
Prepaid component of 7,50,000 redeemable Preference Shares of ₹10 each of Omniscience Capital Advisors Private Limited (redeemable within 20 years)	5,683.43	-	-
(ii) Prepaid Expenses	2,035.83	1,186.79	1,261.39
(iii) Receivable on Accounts of Financial Guarantee given to bank	593.75	593.75	593.75
(iv) Capital Advances	-	5,787.50	5,787.50
<b>Total</b>	<b>8,313.01</b>	<b>7,568.04</b>	<b>7,642.64</b>

#### Note 10: Trade Receivables

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
Unsecured, considered good	18,251.77	32,442.78	37,939.97
Unsecured, Considered doubtful	1,986.00	-	-
Less: provision for doubtful debts	(1,986.00)	-	-
<b>Total</b>	<b>18,251.77</b>	<b>32,442.78</b>	<b>37,939.97</b>

**Notes forming part of the Consolidated Financial Statements:**

In case of Wholly owned subsidiary (WOS), a disputed debt of ₹ 1900.00 (₹ in '000) [Previous years ₹ 1900.00 (₹ in '000)] is due from a party. The said WOS had referred the disputed matter to arbitration and an Award in favour of the said WOS was received on 17/4/2012 and hence, no provision was made by the said WOS. However, the party had challenged the Arbitration order in Bombay High Court in July 2012. The said Arbitration application of debtor was allowed recently by the Bombay High Court thereby setting aside the award dtd. 17.04.2012. The said WOS has challenged the order of Bombay High Court before division bench, which is pending for hearing (at admission stage). Further, the said WOS has also filed winding up petition before Delhi High Court in which Debtor appeared and filed their representation. Now the said WOS has also filed a rejoinder and argued the matter. Matter is pending for further hearing. The management of said WOS is confident, based on expert advice, that they have a good case and will recover the amount and hence, there is no need to make any provision.

**Note 11: Cash and Cash Equivalents**

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
(i) Balances with Banks			
On Current Accounts	1,55,297.31	39,169.28	43,565.70
(ii) Cash on hand	268.35	488.98	604.03
<b>Total</b>	<b>1,55,565.66</b>	<b>39,658.25</b>	<b>44,169.73</b>

**Note 12: Bank Balances other than Cash and Cash Equivalents**

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
Fixed Deposit With Banks having Maturity of not more than Twelve months (refer note b & c)	1,25,317.08	1,26,781.28	47,919.98
Fixed Deposit having Maturity of more than Twelve months (refer note a)	1,47,743.01	1,25,507.50	1,56,741.48
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note e & f)	8,093.00	8,093.00	8,093.00
Earmarked Balances			
For Unpaid Equity Dividend	-	80.84	81.00
<b>Total</b>	<b>2,81,153.09</b>	<b>2,60,462.62</b>	<b>2,12,835.46</b>

**Note:**

- Fixed Deposits with Banks include Rs.1,30,000/- (₹ in '000) [Previous Year Rs.61,500/- (₹ in '000)] pledged against guarantees given by banks in respect of stock broking activities.
- Fixed Deposits with Bank of India include Rs.60,000/- (₹ in '000) [Previous Year Rs.60,000/- (₹ in '000)] pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Nucleus IT Enabled Services Limited., the wholly owned subsidiary of the Holding company, for its business purpose.
- Fixed Deposits with Bank of India include Rs.62,500/- (₹ in '000) [Previous Year Rs.62,500/- (₹ in '000)] pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Asit C Mehta Commodity Services Ltd., for its business purpose.
- The aforesaid entities in respect of whom Fixed Deposits have been pledged with Bank of India have duly complied with the Interest obligation.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

- e. Fixed Deposit of Parent Company, with Bank of India include Rs.1,343/- (₹ in '000) [(Previous year Rs.1,343 (₹ in '000)] towards Custom matter pending with Bombay High Court.
- f. Fixed Deposit of Parent Company, with Bank of India include Rs.6,750/- (₹ in '000) [Previous year Rs.6,750 (₹ in '000)] towards FEMA matter pending at Appellate Tribunal of Foreign Exchange (ATFE) New Delhi.

### Note 13: Loans : Current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Advances other than Capital Advances</b>			
<b>Unsecured, considered good</b>			
Deposit for premises	43,000.00	43,052.96	43,054.16
Deposit with Clearing house	6,247.23	5,717.23	4,317.23
Deposit with Stock Exchange	12,510.00	10.00	10.00
Deposit with Dubai Gold & Commodities Exchange(DGCX)	6,624.94	6,624.94	6,624.94
Deposits - Other	53.16	-	50.00
Inter corporate Deposit	21,600.00	42,730.47	8,080.47
Loans to staff	822.70	439.94	551.80
<b>Total</b>	<b>90,858.03</b>	<b>98,575.55</b>	<b>62,688.60</b>

### Note 14: Other Financial Assets : Current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good unless otherwise stated</b>			
Interest receivable	385.12	4,756.10	81.71
Receivable on TDS accounts from NBFC	900.96	1,370.65	374.49
Advances recoverable in cash or in kind	1,624.83	1,840.52	1,297.18
Shares Received As Margin From Business Associates (refer note 25)	6,078.33	5,195.49	4,519.42
Shares Received As Margin From Constituents (refer note 25)	2,16,799.80	66,481.01	22,741.90
Balances with Stock Exchanges (Net)	924.47	36,279.76	41,170.08
<b>Amounts Due from Business Associates</b>			
Secured against Base capital Deposits, considered good	1,115.60	1,413.63	788.58
Unsecured, considered good	3,008.45	3,120.48	3,125.49
Doubtful	-	117.52	158.88
<b>Amounts Due from Constituents</b>			
Secured against Shares , considered good	85,980.74	1,22,684.67	62,564.09
Unsecured, considered good	25,297.37	27,430.86	33,573.65
<b>Total</b>	<b>3,42,115.67</b>	<b>2,70,690.68</b>	<b>1,70,395.47</b>

As per the terms and conditions of the Agreements executed by one of the subsidiaries with Business Associates, the said subsidiary has an absolute right to recover all the dues from them in respect of Stock broking and allied services. However, as a good business practice, the said subsidiary has adopted cordial and amicable means for recoveries of dues in most practical

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

and fair manner and therefore, it is confident that the amounts classified as Unsecured, would be recovered in due course. The said subsidiary has also filed the cases against the Clients whose dues are adjusted in Business Associate Ledgers.

Amounts due from Business Associates, Constituents and Advances are subject to confirmation.

The amounts due from Constituents represent amounts receivable on account of Securities broking transactions. These accounts comprise the running transactions by the constituents.

#### Note 15: Assets Classified as held for sale : Current

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
Fixed Assets held for Disposal (At Net Realisable Value)	-	-	5,526.18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,526.18</b>

#### Note 16: Other Current assets

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Unsecured, considered good</b>			
<b>a) Balances with Government Authorities</b>			
(i) Excise Duty / Service Tax / GST	4,149.70	1,677.62	1,322.01
b) Prepaid Expenses	5,870.56	5,792.46	3,543.74
c) Prepaid amount on Preference Shares	304.47	-	-
Prepaid component of 7,50,000 redeemable Preference Shares of ₹10 each of Omniscience Capital Advisors Private Limited (redeemable within 20 years)			
<b>Total</b>	<b>10,324.72</b>	<b>7,470.08</b>	<b>4,865.75</b>

#### Note 17: Equity Share Capital

(₹ in '000)

Description	As on March 31, 2018	As on March 31, 2017	As at April 1, 2016
<b>Authorised :</b>			
10,000,000 Equity shares at ₹10/- par value	1,00,000.00	1,00,000.00	1,00,000.00
	<b>1,00,000.00</b>	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b>Issued, Subscribed and Paid up :</b>			
4,952,560 Equity shares at ₹10/- par value	49,525.60	49,525.60	49,525.60
Less :1,18,985 Treasury Shares (Nucleus Trust)*	(1,189.85)	(1,189.85)	(1,189.85)
	<b>48,335.75</b>	<b>48,335.75</b>	<b>48,335.75</b>
<b>Total</b>	<b>48,335.75</b>	<b>48,335.75</b>	<b>48,335.75</b>

#### Terms/Rights attached to Equity Shares

- The Company has only one class of shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. Final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting except in case of Interim Dividend. However, no dividend

**Notes forming part of the Consolidated Financial Statements:**

is declared on equity shares for the year ended March 31, 2018 and March 31, 2017.

- iii In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

**\* Treasury Shares**

Treasury shares are held by Nucleus Stock Trust which represents 1,18,985 Equity Shares of Rs.10/- each fully paid-up of the Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Courts of Mumbai vide their Orders dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Company and is being managed by trustees appointed by it.

**a. Reconciliation of the number of shares outstanding**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
Equity Shares Outstanding at the beginning of the year	48,33,575	48,335.75	48,33,575	48,335.75	48,33,575	48,335.75
Changes during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	48,33,575	48,335.75	48,33,575	48,335.75	48,33,575	48,335.75

**b. Shareholders having more than 5% holding**

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	22,91,638	46.27%	22,84,138	46.12%	22,84,138	46.12%
Mrs. Deena A. Mehta	9,00,358	18.18%	9,00,358	18.18%	9,00,358	18.18%
Asit C Mehta Commodity Services Ltd	4,00,470	8.09%	4,00,470	8.09%	4,00,470	8.09%

**c. Details of forfeited shares :**

Class of Shares	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount originally paid up (₹ in '000)	No. of shares	Amount originally paid up (₹ in '000)	No. of shares	Amount originally paid up (₹ in '000)
Equity shares with voting rights	1,47,700	738.50	1,47,700	738.50	1,47,700	738.50
Equity shares with voting rights*	42,000	21.00	42,000	21.00	42,000	21.00

\* these shares were originally issued by erstwhile Nucleus Netsoft And GIS (India) Limited which was amalgamated with the Company.

**Notes forming part of the Consolidated Financial Statements:**
**Note 18: Other Equity**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Capital Reserve</b>			
As per last Balance Sheet	759.50	759.50	
	759.50	759.50	759.50
<b>Securities Premium</b>			
As per last Balance Sheet	41,043.96	41,043.96	
Add : Received During the year	648.58	-	
	<b>41,692.54</b>	<b>41,043.96</b>	<b>41,043.96</b>
<b>Retained Earnings</b>			
As per last Balance Sheet	1,64,716.50	1,88,154.87	
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	(13,368.90)	(23,202.85)	
Add: Adjustments due to Ind AS transition	(222.02)	(235.52)	
	<b>1,51,125.58</b>	<b>1,64,716.50</b>	<b>1,88,154.87</b>
<b>Other Comprehensive Income</b>			
As per last Balance Sheet	5,295.73	20.91	-
Add : OCI Owners Equity	67,719.45	5,274.82	20.91
	73,015.18	5,295.73	20.91
<b>Total</b>	<b>2,66,592.80</b>	<b>2,11,815.69</b>	<b>2,29,979.23</b>

18.1 Since the Company has elected to continue with carrying value of Investment property, the balance in Revaluation reserve as on date of transition, i.e. April 1, 2016 is transferred to Retained earnings.

**Description of the nature and purpose of Other Equity**

**Capital Reserve:** Capital reserves created by the Company due to forfeiture of Equity Shares of the Company on occasion of Amalgamation.

**Securities Premium:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**Retained Earnings:** Retained Earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividends and adjustments on account of transition to Ind AS.

**Equity Instruments through Other Comprehensive Income:** This represents cumulative gains/(losses) arising on the measurement of equity instruments at Fair Value through Other Comprehensive Income

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 19: Borrowings : Non-current

(₹ in '000)

	Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>(i)</b>	<b>Secured loans</b>			
	<b>A. From Bank</b>			
	a. Term Loan from ICICI Bank [refer note (i) below]	19,726.85	87,665.05	94,182.49
	<b>B. From NBFC</b>			
	a. Term Loan from NBFC [refer note (iv) below]	25,907.62	-	-
	b. Term Loan from NBFC [refer note (ii) below]	74,344.47	85,064.20	92,807.29
	c. Term Loan from NBFC [refer note (iii) below]	48,293.86	52,972.02	55,755.99
	d. From NBFC [refer note (iv) below]	2,07,264.32	1,08,211.00	-
	e. From NBFC [refer note (v) below]	335.09	1,587.95	-
	f. Term Loan from NBFC [refer note (vi) below]	-	-	50,000.00
<b>(ii)</b>	<b>Unsecured</b>			
	14% Compulsory Convertible Debentures			
	400,000 (As on 31.03.2017 - 6,00,000 and As on 01.04.2016 - 6,00,000) 14% Compulsory Convertible Debentures of Rs.30 each; convertible into one equity share of Rs.10 each at premium of Rs.20/- per share, on or before 31/01/2020.	1,963.73	4,968.72	6,807.93
	Total	3,77,835.93	3,40,468.95	2,99,553.69

#### Nature of Security and Term of Repayment of Long-term Borrowing :

(₹ in '000)

Name of Security	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Mortgage of commercial property on 4th Floor, 5th Floor and 6th Floor of 'B' wing at 'Nucleus House' Andheri E, Mumbai (commencing from Apr'2016.) (tenure 120 months) Rate of Interest : [31.03.2018 10.50%, 31.03.2017 10.95%, 01.04.2016 11.00%]	21,554.88	94,155.76	1,00,000.00
ii) Mortgage of commercial property situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai, bearing nos 3rd, 4th, 5th, 6th & 7th floor 'A' Wing, (commencing from Feb'16) (tenure 108 months) Rate of Interest : [31.03.2018 9.75%, 31.03.2017 11.75%, 01.04.2016 11.90%]	84,694.63	92,726.27	99,478.88
iii) Secured by Equitable / registered mortgaged of the properties located at Nucleus House "B" Wing, 2nd and 7th Floor. (commencing from May'2014) (tenure 180 months) Rate of Interest : [31.03.2018 9.75%, 31.03.2017 12.40%, 01.04.2016 13.00%]	52,471.08	55,350.48	57,304.88

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

iv) Secured by Equitable Mortgage of the properties located at Nucleus House A wing 102 , 201,202, 203 B wing 801 and 301. (commencing from March 2017) *[Bullet payment at the end of the tenure] (tenure 156 months) Rate of Interest : [31.03.2018 9.40%, 31.03.2017 10.50%]	2,34,416.70	1,08,211.00	-
v) Secured by hypothecation of Motor Car Rate of Interest : [31.03.2018 10.92%, 31.03.2017 10.92%]	1,587.95	2,711.75	-
vi) In case of Subsidiary ACMILL, Secured by i) Equitable Mortgage of commercial property located at Nucleus House "A" Wing, Basement, ground, 1st and 2nd floor with a personal guarantee of Directors. Rate of Interest : [01.04.2016 14.00% ]	-	-	50,000.00
<b>Total</b>	<b>3,94,725.24</b>	<b>3,53,155.25</b>	<b>3,06,783.76</b>
<b>Less: Current Maturities of Long-term debt (Refer Note 25)</b>	<b>18,853.03</b>	<b>17,655.02</b>	<b>14,037.99</b>
<b>Total</b>	<b>3,75,872.21</b>	<b>3,35,500.23</b>	<b>2,92,745.76</b>

### Note 20: Provisions : Non-current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for employee benefits</b>			
Gratuity	-	92.26	1,105.01
Leave Encashment	73.65	161.11	239.60
<b>Total</b>	<b>73.65</b>	<b>253.37</b>	<b>1,344.61</b>

### Note 21: Deferred Tax Liabilities (Net):

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax liabilities	12,083.01	-	-
<b>Total</b>	<b>12,083.01</b>	<b>-</b>	<b>-</b>

### Note 22: Other Financial Liabilities: Non-Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unamortised amount of Guarantee commission	237.50	356.25	475.00
<b>Total</b>	<b>237.50</b>	<b>356.25</b>	<b>475.00</b>



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 23: Borrowings : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Repayable on demand</b>			
<b>From Banks- Secured</b>			
Overdraft from Bank of India	56,025.37	56,713.60	92,028.57
Secured against the FDR pledged with Bank of India, Stock Exchange Br, Security provided by The Subsidiary M/s. ACMIIL (Rate of Interest 3.7%) (P.Y. 1.5%) above Term Deposit rate.			
Overdraft from Bank of India	12,908.40	-	-
[secured by (i) Mortgage of office unit no.101 A wing and Unit No.103 A wing situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai-400072 in the Name of Company and (ii) personal guarantee of the Managing Director, one of the whole time directors, Corporate guarantee by the Company and one of the Group company]			
Overdraft from State Bank of India	1,49,554.47	1,49,473.67	1,49,557.85
Secured by hypothecation and first charge on present and future fixed assets, like computers & peripherals, furniture, electrical fittings, interior works, etc and further collaterals by (i) legal mortgage of residential premises owned by Managing director and one of the whole time director of the subsidiary; (ii) office premises owned by one of the whole time directors of the subsidiary; and (iii) personal guarantee by the Managing Director and one of the whole time directors of the subsidiary.			
<b>From Others- unsecured</b>			
Inter Corporate Deposit	15,500.00	23,000.00	50,000.00
<b>Redeemable Preference Shares</b>			
4,500,000, 9% Cumulative Redeemable Preference Shares of Rs.10 each	45,000.00	45,000.00	45,000.00
1,500,000, 4% Cumulative Redeemable Preference Shares of Rs.10 each	15,000.00	15,000.00	15,000.00
2,000,000, 4% Cumulative Redeemable Preference Shares of Rs.10 each	20,000.00	20,000.00	20,000.00
Base Capital deposits from Business Associates	35,427.25	34,936.42	35,833.88
Security Deposits	8,115.50	12,556.00	12,977.92
<b>Total</b>	<b>3,57,531.00</b>	<b>3,56,679.69</b>	<b>4,20,398.22</b>

**Notes forming part of the Consolidated Financial Statements:**
**Note 24: Trade Payables**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Due to Micro, Small and Medium Enterprise	-	-	-
Due to Others	3,67,619	4,06,828	2,49,147
<b>Total</b>	<b>3,67,619</b>	<b>4,06,828</b>	<b>2,49,147</b>

The Group has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2002 ("MSMED Act"), and therefore no such disclosures is made. This has been relied upon by the auditors.

Amounts payable to Micro and Small Enterprises	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) the principal amount and the interest due thereon	Nil	Nil	Nil
(ii) interest Paid during the year	Nil	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil	Nil

**Note 25: Other Financial Liabilities: Current**

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long Term borrowings	18,853.03	17,655.02	14,037.99
Other Financial Liabilities			
Unclaimed Dividend	-	79.39	79.39
Interest payable on borrowings	2,147.88	9,029.67	2,134.23
Other Payables			
Towards purchase of fixed assets	-	-	2,295.05
Shares received as Margin from Constituents	2,16,799.80	66,481.01	22,741.90
<b>Total</b>	<b>2,37,800.71</b>	<b>93,245.08</b>	<b>41,288.56</b>

**MARGIN FROM CONSTITUENTS OF SUBSIDIARY**

- The Company, in the course of its business and as per the terms and conditions with Clients, has received initial margin in the form of shares and securities (which are transferred to and held in the name of the Group).
- Initial margin so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- As per the terms and conditions, The Company has an absolute right to appropriate and realize against the unpaid dues from the Clients and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares with the Company, as the case may be.
- Initial Margin received in the form of shares and securities as above are classified and reflected under the head "Other Financial Assets - Current" in Note No.14 and stated at the market value as at the end of the year.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

- e. The amounts due to Constituent Clients represent amounts payable on account of security broking transactions. These accounts comprise the running transactions carried out by the Constituent Clients.
- f. Amounts due to Constituents, Creditors/Other Liabilities are subject to Confirmation.

#### Note 26: Other Current Liabilities

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Income Received in advance	433.23	594.79	599.03
<b>(ii) Others</b>			
Statutory dues	11,070.24	6,666.04	7,973.43
Other Liabilities	6,155.89	1,895.92	1,050.75
Escrow Deposit	46,550.00	-	-
<b>Total</b>	<b>64,209.35</b>	<b>9,156.74</b>	<b>9,623.20</b>

#### Note 27: Provisions : Current

(₹ in '000)

Description	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for employee benefits :</b>			
(i) Provident Fund	-	20.62	30.83
(ii) Gratuity	1,165.38	382.47	125.59
(iii) Leave Encashment	573.55	385.39	155.77
(iv) Salary	14.23	5.72	16.97
<b>Total</b>	<b>1,753.15</b>	<b>794.20</b>	<b>329.16</b>

#### Note 28: Revenue from Operations

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A) Income from ITeS Services</b>		
- Domestic	23,345.73	24,225.72
- Exports	2,659.46	7,635.27
B) Rental Income	35,382.48	27,834.75
C) Advisory charges	1,800.00	8,999.84
D) Brokerage Income	-	1,268.00
E) Stock broking and allied services	3,84,295.17	2,94,465.76
<b>Total</b>	<b>4,47,482.83</b>	<b>3,64,429.33</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 29: Other Income

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Interest Income</b>		
on Bank Deposits	18,790.77	16,815.90
on Income Tax Refund	478.47	810.30
on Inter Corporate Deposit	4,770.18	10,640.60
Interest - Preference Shares	126.96	-
Interest on Electricity Security Deposit	67.27	60.61
Interest on Security Deposit with clearing Corporation	190.48	190.48
Dividend	3.60	6.62
Bank Guarantee Commission	118.75	118.75
Other Operating Income	-	271.89
Provision for Gratuity written back	93.56	771.66
Miscellaneous Income	93.06	4.07
<b>Total</b>	<b>24,733.09</b>	<b>29,690.88</b>

#### Note 30: Employee Benefit Expenses

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries ,Wages & Bonus	1,09,843.02	99,309.84
Contribution to PF and Other funds	5,150.05	4,510.22
Staff Welfare	1,496.14	2,235.26
Leave Encashment	61.38	316.70
Gratuity Expenses	3,408.70	1,208.77
<b>Total</b>	<b>1,19,959.28</b>	<b>1,07,580.80</b>

#### Note 31: Finance Cost

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Interest Expense		
- Cash Credit	39,435.13	28,237.47
- Term Loans / CC	20,439.12	35,451.24
- Others	1,394.20	7,965.70
- Interest Preference Shares	101.49	-
- On Car Loan	241.03	106.69
- On Inter corporate Deposits	2,281.11	2,358.62
- On Unsecured Debentures	415.21	680.79
b) Other borrowing cost		
- Loan processing ,registration fee and stamp duty	125.61	1,019.18
- Annual Maintenance Charges for loan account to NBFC	354.40	-
<b>Total</b>	<b>64,787.30</b>	<b>75,819.69</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 32: Other Expenses

(₹ in '000)

Description	For the year ended March 31, 2018	For the year ended March 31, 2017
Business Associates Expenses	1,50,843.51	1,24,903.41
Service Charges Demat	4,131.92	3,323.04
Marketing Expenses	10,062.34	7,029.38
Electricity charges	5,603.33	5,490.50
Legal and Professional fees	14,063.49	11,806.28
Rates and Taxes	4,203.97	4,257.85
Securities Transaction Tax	6,039.26	1,618.48
Service Tax & Swachh Bharat Cess	163.09	595.80
Stamp Duty	-	1,120.83
Insurance	917.70	342.83
Leave and License Fees for Premises	2,552.97	2,803.92
Office Maintenance	2,357.21	2,355.63
Membership & Subscription	3,067.03	3,726.57
Communication, Connectivity & Telephone Expenses (Net)	5,073.01	3,621.74
Postage and Courier Expenses	1,953.53	1,856.93
Printing and Stationery (Net)	1,734.10	2,090.27
Fixed Assets Written Off	688.98	479.03
Loss On Sale Of Assets	3.66	53.62
Impairment Loss On Assets held for Disposal	-	5,526.18
Directors sitting fees	355.00	255.00
Auditors' remuneration –		
Audit fees	1,420.00	1,470.00
Tax Audit	175.00	200.00
Other Services	172.80	329.76
Conveyance & Travelling	2,249.85	2,584.74
Repairs and Maintenance – Equipments	7,072.25	7,801.55
Repairs and Maintenance – Building	386.02	582.53
Repairs and Maintenance – Other	2,755.72	3,015.08
Depository charges / Other receivables Written off	27,210.11	4,097.23
Provision for Bad Debts / Bad Debts	1,986.00	786.52
Goodwill on Consolidation w/off	364.45	1,670.60
Bank Guarantee Commission	3,391.63	1,678.57
Miscellaneous Expenses	9,560.20	8,975.95
<b>Total</b>	<b>2,70,558.11</b>	<b>2,16,449.82</b>

**Notes forming part of the Consolidated Financial Statements:**
**Note 33: Contingent Liabilities and Commitments**

(₹ in '000)

	<b>PARTICULARS</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 1, 2016</b>
<b>A.</b>	<b>Contingent Liabilities</b>			
<b>a.</b>	<b>Claims against the Company/ disputed liabilities not acknowledged as debts</b>			
i	Income-tax matters under appeal (AY 10-11)	19.91	19.91	-
ii	Service Tax matters under appeal (refer footnote)	10,197.58	10,197.58	10,197.58
iii	FERA matter	16,186.00	16,186.00	16,186.00
iv	Disputed Claims against the Group not provided for	1,041.46	740.11	1,677.28
v	Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	-	-	17,217.50
vi	Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities	11,766.73	19.91	-
		<b>39,211.68</b>	<b>27,163.51</b>	<b>45,278.36</b>
<b>b.</b>	<b>Guarantee given (refer footnote)</b>	<b>16,186.00</b>	<b>16,186.00</b>	<b>16,186.00</b>
<b>c.</b>	<b>Arrears of Dividend by subsidiary:</b>			
	a) On 9% Cumulative Redeemable Preference Shares	24,300.00	20,250.00	16,200.00
	b) On 4% Cumulative Redeemable Preference Shares, Redemable with Premium of 5% per year or part of year	2,408.22	1,808.22	1,208.22
	c) On 4% Cumulative Redeemable Preference Shares	2,614.80	1,814.79	1,014.80
		<b>29,323.01</b>	<b>23,873.01</b>	<b>18,423.01</b>

**Footnote:**

The Company received pay orders valuing to ₹ 5,072 (₹ in '000) from a customer in the financial year 1994-95 in respect of Money Changing business which were dishonored by a nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company had challenged the proceeding before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) which gave the ruling in favour of the Company for which the company has furnished a bank guarantee of ₹ 2,686 (₹ in '000) ((previous year ₹2,686 (₹ in '000)). The Customs Department filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is pending for disposal.

During the financial year 2007-08, the Company received an order imposing a penalty of ₹16,186(₹ in '000) from the Office of the Special Director of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Company contends that it has complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The Company filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order, which is pending.

The Service Tax Department had raised a demand of ₹10,197.58/-(₹ in '000) , reflected above in contingent liability, by passing an Ex parte order dated 11th April 2008. The Company has preferred an appeal and the same is still pending and the management, based on expert advice, is confident that the demand is not sustainable and hence no provision for the same is made in the books of accounts.

In respect of items above, it is not possible for the company to estimate the timings of cash outflows which would be determinable only on receipt of judgements pending at various forums/authorities.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

The company does not expect any reimbursement in respect of above contingent liabilities.

B	Commitments	NIL	NIL	NIL
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### Note 34: Disclosures of transactions with related parties required under Ind AS 24 on “Related Party Disclosures”

#### A. List of Related Parties with whom transactions have taken place during the year

##### (I) Key Management Personnel (KMP)

Mr. Asit C Mehta	-	Director and Chairman
Mrs. Deena A. Mehta	-	Non-Executive Director
Mr. Kirit Vora	-	Non-Executive Director
Mr. Vijay Ladha	-	Independent Director
Mr. Radha Krishna Murthy	-	Independent Director
Mr. Pundarik Sanyal	-	Independent Director
Ms. Purvi Ambani	-	Chief Financial Officer (upto December 6, 2017)
Ms. Mamta Gautam	-	Chief Financial Officer (from December 14, 2017)
Mr. Pankaj J Parmar	-	Manager
Ms. Meha Sikarwar	-	Company Secretary and Compliance officer

##### (II) Relatives of Key Management Personnel:

Mr. Aditya Mehta	-	Son of Chairman
Mr. Aakash Mehta	-	Son of Chairman

##### (III) Related parties where significant influence exists and where transactions have taken place:

Asit C Mehta Forex Private Limited
Asit C Mehta Commodity Services Limited
Edgytal Digital Marketing Pvt Ltd
Pentation Analytics Pvt Ltd (Upto 20th May, 2016)
Tipstop Software Private Limited

#### B. Transactions With Related Parties

		(₹ in '000)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
<b>Rental Income</b>			
i. Pentation Analytics Private Limited	-	2,485.00	
ii. Asit C Mehta Forex Private Limited	60.00	60.00	
iii. Edgytal Digital Marketing Private Limited	720.00	80.00	
iv. Asit C Mehta Commodity Services Limited	120.00	60.00	
v. Lasoon Live- Aakash	60.00	10.00	
<b>Interest Received</b>			
i. Asit C Mehta Commodity Services Limited	4,100.20	5,411.89	
<b>Reimbursement of Expenses - Received</b>			
i. Pentation Analytics Pvt Limited		201.51	

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

		(₹ in '000)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
<b>Rental Expenses</b>			
i. Mr. Asit C Mehta	720.00	720.00	
ii. Mrs. Deena A. Mehta	1,440.00	1,440.00	
<b>Interest Paid</b>			
i. Edgytal Digital Marketing Private Limited	31.27	-	
ii. Pentation Analytics Private Limited	-	159.49	
<b>Advertising / Marketing Expenses Paid</b>			
i. Edgytal Digital Marketing Private Limited	3,177.90	1,639.15	
<b>Professional Fees Paid</b>			
i. Tipstop Software Private Limited	60.00	-	
<b>Interest paid on Debentures</b>			
i. Mr. Asit C Mehta	1,260.00	1,260.00	
ii. Mrs. Deena A. Mehta	841.15	1,260.00	
<b>Remuneration to KMP</b>			
i. Mr. Asit C Mehta	2,491.97	2,241.00	
ii. Mr. Kirit Vora	2,322.00	2,387.93	
iii. Mr. Pankaj Parmar	2,094.59	1,697.55	
iv. Ms. Mamta Gautam	311.39	-	
v. Ms. Purvi Ambani	1,339.74	1,806.59	
<b>Sitting Fees to KMP</b>			
i. Mr. Asit C Mehta	50.00	40.00	
ii. Mrs. Deena A. Mehta	50.00	40.00	
iii. Mr. Kirit Vora	75.00	60.00	
iv. Mr. Vijay Ladha	75.00	45.00	
v. Mr. Radha Krishna Murthy	75.00	30.00	
vi. Mr. Pundarik Sanyal	30.00	40.00	
<b>Loan Received</b>			
i. Mrs. Deena A. Mehta	-	2,700.00	
ii. Mr. Kirit Vora	-	100.00	
iii. Pentation Analytics Pvt Ltd	-	16,500.00	
iv. Edgytal Digital Marketing Private Limited	2,150.00	-	
<b>Loan Repaid</b>			
i. Mr. Asit C Mehta	-	2,700.00	
ii. Mrs. Deena A. Mehta	-	100.00	



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

		(₹ in '000)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
iii. Pentation Analytics Pvt Ltd	-	16,500.00	
iv. Edgytal Digital Marketing Private Limited	2,150.00	-	
<b>Loan Given</b>			
i. Asit C Mehta Commodity Services Limited	37,600.00	94,350.00	
<b>Loan Received back</b>			
i. Asit C Mehta Commodity Services Limited	39,830.47	92,200.00	

		(₹ in '000)	
Compensation of Key Management Personnel of the Company	For the year ended March 31, 2018	For the year ended March 31, 2017	
Short-term employee benefits	8,559.69	8,133.06	
<b>Total</b>	<b>8,559.69</b>	<b>8,133.06</b>	

### C. Outstanding Balances

		(₹ in '000)		
PARTICULARS	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	
<b>Closing balance Receivable:</b>				
i. Asit C Mehta Commodity Services Limited	7,500.00	9,730.47	7,580.47	
ii. Pentation Analytics Pvt Ltd	-	21.68	-	
iii. Edgytal Digital Marketing Private Limited	-	-	57.25	
<b>Property Deposit Receivable</b>				
i. Mr. Asit C Mehta	17,500.00	17,500.00	17,500.00	
ii. Mrs. Deena A. Mehta	25,500.00	25,500.00	25,500.00	
<b>Property Deposit Payable</b>				
i. Pentation Analytics Pvt Ltd	-	25.00	25.00	
ii. Asit C Mehta Commodity Services Limited	1,500.00	1,500.00	-	

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances on account of trade receivable, trade payable, other receivable, other payable and interest receivable on loan at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received in respect of outstanding receivables or payables from/to any related party. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

**Notes forming part of the Consolidated Financial Statements:**
**Note 35: Earnings Per Share (EPS)**

Particulars	As at March 31, 2018	As at March 31, 2017
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in '000)	(7,042.98)	(35,537.71)
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	48,33,575	48,33,575
Face Value per Equity Share (in ₹)	10.00	10.00
Basic & Diluted Earnings per Share (in ₹)	(1.46)	(7.35)

**Note 36: Employee Benefits**

The Company has classified various employee benefits as under:

**A. Defined Contribution Plans**
**Provident Fund**

The Provident Fund are operated by the Regional Provident Fund Commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	(₹ in '000)	
	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to Provident Fund	5,150.05	4,510.22
<b>TOTAL</b>	<b>5,150.05</b>	<b>4,510.22</b>

**B. Defined Benefit Plans**
**Gratuity**

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	Particulars	Valuation as at		
		March 31, 2018	March 31, 2017	April 1, 2016
i.	Mortality	IALM(2006-08)Ult.		
ii.	Discount Rate (per annum)	7.69%	7.40%	8.00%
iii.	Rate of increase in Compensation levels (per annum)	5.00%	5.00%	5.00%
iv.	Attrition Rate	0.8% for all ages	0.8% for all ages	0.8% for all ages
v.	Retirement Age	58 years	58 years	58 years

vi The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

**Notes forming part of the Consolidated Financial Statements:**

- vii The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

**Note on other risks:**

**Investment risk** - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest Risk** –A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary risk** -The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

				(₹ in '000)	
Particulars	Year ended	Year ended	Year ended	Year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded	
<b>i. Changes in Present value of Obligation</b>					
Present value of defined benefit obligation at the beginning of the year	9,874.27	7,965.68	93.56	94.48	
Current Service Cost	1,600.98	1,458.16	-	29.94	
Interest Cost	716.71	621.72	6.92	7.56	
Actuarial (Gains)/Loss on obligation	(1,213.83)	216.95			
Actuarial (gains)/ losses arising from changes in financial assumption	-	-	-	6.74	
Actuarial (gains)/ losses arising from changes in experience adjustment	-	-	(100.49)	(45.16)	
Past Service cost - Vested Benefits	1,824.28				
Benefits Paid	(482.32)	(388.48)	-	-	
Present value of defined benefit obligation at the end of the year	12,320.09	9,874.02	-	93.56	
<b>ii. Fair value of Plan Assets</b>					
Fair value of plan assets at the beginning of the year	9,493.11	7,841.50	-	-	
Interest Income	761.32	661.36	-	-	

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

Particulars	Year ended	Year ended	Year ended	(₹ in '000)
	March 31, 2018	March 31, 2017	March 31, 2018	Year ended March 31, 2017
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
Return on Plan Assets excl. interest income	(224.00)	177.09	-	-
Actuarial Gain/(Loss)	-	-	-	-
Employer's Contributions	1,606.61	1,201.31	-	-
Benefits Paid	(482.32)	(388.15)	-	-
Fair value of plan assets at the end of the year	11,154.73	9,493.11	-	-
<b>iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss Account</b>				
PVO at end of period	12,320.10	9,874.28	-	93.56
Fair Value of Plan Assets at end of period	11,154.73	9,493.11	-	-
Funded Status	(1,165.38)	(381.17)	-	(93.56)
Net Assets/(Liability) recognised in the Balance Sheet	(1,165.38)	(381.17)	-	(93.56)
<b>iv. Net Benefit (Asset) /Liability</b>				
Defined benefit obligation at beginning of period	9,874.28	7,965.68	93.56	94.48
Fair value of plan assets at beginning of period	9,493.11	7,841.50	-	-
Net Benefit Asset /(Liability)	381.17	124.18	93.56	94.48
<b>v. Net Interest Cost for Current Period</b>				
Interest Cost	716.71	621.73	6.92	7.56
(Interest Income)	761.32	661.36	-	-
Net Interest Cost for Current Period	(44.62)	(39.63)	6.92	7.56
<b>vi. Return on plan assets</b>				
Actual Return on plan assets	537.33	838.45	-	-
Interest income included in above	761.32	661.36	-	-
Return on plan assets excluding interest income	(224.00)	177.09	-	-
<b>vii. Expenses recognised in the Statement of Profit and Loss</b>				
Current Service Cost	1,600.99	1,458.16	-	29.94
Interest cost on benefit obligation (net)	(44.61)	(39.63)	6.92	7.56
Past service cost (vested Benefits)	1,824.28			

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

		(₹ in '000)			
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded	
Total Expenses recognised in the Statement of Profit and Loss	3,380.65	1,418.54	6.92	37.50	
<b>viii. Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>					
Actuarial (gains)/ losses arising from changes in financial assumption	(253.96)	541.85	-	6.74	
Actuarial (gains)/ losses arising from changes in experience adjustment	(959.85)	(324.98)	(100.49)	(45.16)	
Return on plan asset excluding net interest	223.99	(177.09)	-	-	
Recognised in Other Comprehensive Income	(989.83)	39.77	(100.49)	(38.42)	
<b>ix. Movements in the Liability recognised in Balance Sheet</b>					
Opening Net Liability	381.17	124.17	93.56	94.48	
Adjustment to opening balance	-	-	-	-	
Expenses as above	3,380.65	1,418.53	6.92	37.50	
Contribution paid	(1,606.61)	(1,201.31)	-	-	
Other Comprehensive Income (OCI)	(989.83)	39.77	(100.49)	(38.42)	
Closing Net Liability	1,165.38	381.17	-	93.56	
<b>x. Cash flow Projection: From the Fund</b>					
Within the next 12 months (next annual reporting period)	3,780.25	2,188.77	-	1.30	
2nd following year	181.80	144.92	0.18	1.70	
3rd following year	215.23	216.86	0.38	3.19	
4th following year	314.58	260.36	0.60	4.78	
5th following year	896.81	491.92	0.83	6.49	
Sum of Years 6 To 10	8,586.59	5,821.08	2.48	32.86	
<b>xi. Sensitivity Analysis</b>					
Projected Benefit Obligation on Current Assumptions					
Delta Effect of +1% Change in Rate of Discounting	11,325.53	8,942.37	-	82.64	

**Notes forming part of the Consolidated Financial Statements:**

		(₹ in '000)			
Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	
	Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded	
Delta Effect of -1% Change in Rate of Discounting	13,501.36	10,988.03	-	106.17	
Delta Effect of +1% Change in Rate of Salary Increase	13,496.35	10,987.35	-	106.35	
Delta Effect of -1% Change in Rate of Salary Increase	11,314.51	8,926.70	-	82.31	
<b>xii. The major categories of plan assets as a percentage of total</b>					
Insurer managed funds	-	-	-	-	

**Note on Sensitivity Analysis**

Sensitivity analysis for each significant actuarial assumptions of the Group which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.

The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

**Note 37: Financial Instruments**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Valuation**

- The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the Consolidated financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Fair Value measurement hierarchy**

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

**Notes forming part of the Consolidated Financial Statements:**

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Carrying Amounts	Fair Value		Carrying Amounts	Fair Value		Carrying Amounts	Fair Value	
		Level 1	Level 2		Level 3	Level 1		Level 2	Level 3
<b>Financial Assets</b>									
Measured at Amortised Cost									
Investment in Unquoted Preference shares	1,537.57	-	-	-	-	-	-	-	-
Loans	1,10,745.32	-	-	1,19,466.83	-	-	83,525.07	-	-
Trade Receivable	18,251.77	-	-	32,442.78	-	-	37,939.97	-	-
Cash and cash equivalents	1,55,565.66	-	-	39,658.25	-	-	44,169.73	-	-
Other Bank Balance	2,81,153.09	-	-	2,60,462.62	-	-	2,12,835.46	-	-
Others	3,42,165.67	-	-	2,70,740.68	-	-	1,70,445.47	-	-
	9,09,419.08			7,22,771.16			5,48,915.70		
Measured at FVTOCI									
Investment in equity instruments	1,11,566.82	12,348.40	99,218.43	10,038.41	819.98	9,218.43	569.68	351.25	218.43
<b>Total Financial Assets</b>	<b>10,20,985.91</b>	<b>12,348.40</b>	<b>99,218.43</b>	<b>7,32,809.57</b>	<b>819.98</b>	<b>9,218.43</b>	<b>5,49,485.37</b>	<b>351.25</b>	<b>218.43</b>
<b>Financial Liabilities</b>									
Measured at Amortised Cost									
Borrowing	7,35,366.93	-	-	6,97,148.64	-	-	7,19,951.91	-	-
Trade Payables	3,67,619.20	-	-	4,06,828.31	-	-	2,49,146.89	-	-
Others	2,37,800.71	-	-	93,245.08	-	-	41,288.56	-	-
<b>Total Financial Liabilities</b>	<b>13,40,786.85</b>	-	-	<b>11,97,222.03</b>	-	-	<b>10,10,387.37</b>	-	-

**Notes forming part of the Consolidated Financial Statements:**

**Note 38: Capital Management and Financial Risk Management Policy**

**A. Capital Management**

For the purpose of Group's Capital Management, Capital includes issued Equity Capital and all Other Reserves attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Group's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value. The Group monitors capital using debt-equity ratio as its base, which is total debt divided by total equity.

**2. Debt Equity Ratio - Total Debt divided by Total Equity** (₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total Debt	7,35,366.93	6,97,148.64	7,19,951.91
Total Equity	3,14,928.55	2,60,151.44	2,78,314.98
Debt Equity Ratio	2.34	2.68	2.59

**B. Financial Risk Management and Policies**

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations in select instances. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The company is exposed to market risk, credit risk, liquidity risk etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital.

Group has exposure to following risk arising from financial instruments:

- Credit risk
- Market risk
- Liquidity risk

**i) Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

**a) Trade Receivable**

Customer credit risk managed by Group's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

**b) Financial instruments**

The Group limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The Group monitors changes in credit risk by tracking published external credit ranking.



**Notes forming part of the Consolidated Financial Statements:**
**ii) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Group has designed risk management framework to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The Wholly owned subsidiary is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Company's foreign currency denominated monetary assets as at the end of the reporting period is as follows :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)
Receivable USD	-	-	20.70	1,342.35	23.74	1,574.70

Particulars of un-hedged foreign currency asset / liability as at the end of the reporting period is as follows :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)	Amount in Foreign currency (₹ in '000)	Amount (₹ in '000)
Payable USD	-	-	20.70	1,342.35	23.74	1,574.70

**Foreign currency sensitivity:**

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant.

5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax and impact on equity.

(₹ in '000)

Particulars	As at March 31, 2018		As at March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
<b>Impact on Profit and Loss</b>				
USD	-	-	(67.12)	67.12
<b>Total</b>	<b>0.00</b>	<b>(0.00)</b>	<b>(67.12)</b>	<b>67.12</b>

**Notes forming part of the Consolidated Financial Statements:**
**a) Equity Risk**

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than purposes. The Group does not actively trade these investments. Profit for the year ended March 31, 2018 and March 31, 2017 would have been unaffected as the equity investments are FVTOCI and some investments were disposed off during the year and resulting profit/(loss) on sale of investment is recorded in Other Comprehensive Income.

**iii) Liquidity Risk**

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group maintains a cautious liquidity strategy, with a positive cash balance throughout the year. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The table below provides details regarding the remaining contractual maturities of Group's financial liabilities.

(₹ in '000)

Particulars	Less than 1 Year/ On Demand	1-5 years	More than 5 years	Total
<b>As at March 31, 2018</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	3,57,531.00	335.09	3,77,500.85	7,35,366.93
Trade Payables	3,67,619.20			3,67,619.20
Other payables	2,37,800.71			2,37,800.71
	<b>9,62,950.91</b>	<b>335.09</b>	<b>3,77,500.85</b>	<b>13,40,786.85</b>
<b>As at March 31, 2017</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	3,56,679.69	1,587.95	3,38,881.00	6,97,148.64
Trade Payables	4,06,828.31			4,06,828.31
Other payables	93,245.08			93,245.08
	<b>8,56,753.08</b>	<b>1,587.95</b>	<b>3,38,881.00</b>	<b>11,97,222.03</b>
<b>As at April 1, 2016</b>				
<b>Non-derivative financial liabilities</b>				
Borrowings	4,20,398.22	50,000.00	2,49,553.69	7,19,951.91
Trade Payables	2,49,146.89			2,49,146.89
Other payables	41,288.56			41,288.56
	<b>7,10,833.68</b>	<b>50,000.00</b>	<b>2,49,553.69</b>	<b>10,10,387.37</b>

**Note 39: Information on Segment Reporting as per Ind AS 108 on "Operating Segments"**

Operating Segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision making body in the company to make decisions for performance assessment and resource allocation.

The Company has identified following four reportable primary segments, in term of Ind AS 108 on ' Operating Segment':

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

- a. Investment Activities
- b. Advisory and Consultancy services
- c. Information Technology Enabled Services ( IT)
- d. Stock Broking and allied Services

(₹ in '000)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A. Segment Revenue (Sales / Services to external customers):</b>		
a. Investment Activities	35,382.48	27,834.75
b. Advisory and Consultancy services	1,800.00	8,999.84
c. Information Technology Enabled Services ( IT)	26,005.18	31,860.99
d. Stock Broking and allied Services	3,84,295.17	2,95,733.76
<b>Total Revenue</b>	<b>4,47,482.83</b>	<b>3,64,429.33</b>
<b>B. Segment Results :</b>		
a. Investment Activities	12,148.93	5,836.10
b. Advisory and Consultancy services	(3,283.13)	3,744.98
c. Information Technology Enabled Services ( IT)	3,547.23	4,084.91
d. Stock Broking and allied Services	21,838.00	6,311.14
<b>Total</b>	<b>34,251.04</b>	<b>19,977.14</b>
Add: Unallocable Income	24,733.09	29,690.88
Less: Interest Expense	64,787.30	77,498.26
<b>Profit/(Loss) before Tax</b>	<b>(5,803.17)</b>	<b>(27,830.23)</b>

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Other Information :</b>			
<b>Segment Assets</b>			
a. Investment Activities	8,26,171.86	8,29,073.55	6,78,033.40
b. Advisory and Consultancy services	2,580.93	3,193.60	5,289.92
c. Information Technology Enabled Services ( IT)	1,16,993.31	53,854.13	10,626.92
d. Stock Broking and allied Services	9,59,383.09	7,19,447.44	6,96,647.41
Others – Unallocated	2,846.22	4,017.72	1,407.91
<b>Total</b>	<b>19,07,975.40</b>	<b>16,09,586.44</b>	<b>13,92,005.55</b>
<b>Segment Liabilities</b>			
a. Investment Activities	4,37,622.68	4,36,135.32	3,30,523.39
b. Advisory and Consultancy services	-	-	125.31
c. Information Technology Enabled Services ( IT)	1,00,121.68	61,011.91	59,987.68
d. Stock Broking and allied Services	9,23,060.44	7,50,979.28	6,31,522.95
e. Others – Unallocated	-	-	-
<b>Total</b>	<b>14,60,804.79</b>	<b>12,48,126.51</b>	<b>10,22,159.34</b>

**Notes forming part of the Consolidated Financial Statements:**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Capital Expenditure during the year</b>			
<b>Investment Activities</b>			
– Tangible Fixed Assets	379.16	2,165.99	1,06,071.14
– Intangible Fixed Assets	-	-	400.00
b. Advisory and Consultancy services	-	-	-
c. Information Technology Enabled Services ( IT)	335.80	139.52	836.43
d. Stock Broking and allied Services	3,963.19	7,039.67	4,200.59
e. Others – Unallocated	-	-	-
<b>Total</b>	<b>4,678.16</b>	<b>9,345.18</b>	<b>1,11,508.16</b>
<b>Depreciation during the year</b>			
a. Investment Activities	13,053.69	13,051.65	4,180.27
b. Advisory and Consultancy services	643.97	515.55	367.88
c. Information Technology Enabled Services ( IT)	281.62	501.49	370.46
d. Stock Broking and allied Services	8,735.13	8,031.46	10,045.42
e. Others – Unallocated	-	-	-
<b>Total</b>	<b>22,714.40</b>	<b>22,100.15</b>	<b>14,964.03</b>

During the year ended 31st March 2017 and 31st March 2018 the Company made sales of ₹12,312 (₹ in '000) to one of its customers and ₹ 24,175.84 (₹ in '000) to two of its customers respectively in Investment activities segment.

**Information about secondary segments:**

(₹ in '000)

Particulars	As at March 31, 2018			As at March 31, 2017		
	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets	Revenue from Customers by location	Carrying Amount of Segment Assets by Location	Addition to Fixed Assets
Domestic	24,334.98	1,16,993.31	335.80	26,035.57	53,854.13	139.52
Overseas	2,659.46	-	-	7,635.27	-	-
<b>Total</b>	<b>26,994.44</b>	<b>1,16,993.31</b>	<b>335.80</b>	<b>33,670.84</b>	<b>53,854.13</b>	<b>139.52</b>

**Note 40: Disclosure pursuant to Indian Accounting Standard (Ind AS) 112 “ Disclosure of interest in other entities”**

a. Change in the Group's ownership interest in a subsidiary (without ceding control)

**i) On account of Dilution**

During the year 2017-18, the group's continuing interest has been reduced on account of conversion of 14% Compulsory Convertible Debentures into equity shares by 0.88% in Asit C Mehta Investment Intermediates Limited.

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

b. Disclosure of subsidiary having material non-controlling interest :

#### (i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermmediates Ltd	
	March 31, 2018	March 31, 2017
Revenue	4,08,544.61	3,21,389.83
Profit/(Loss) for the year	11,590.68	(22,486.17)
Other comprehensive income	1,695.45	208.00
Total comprehensive income	13,286.14	(22,278.17)
Profit/(Loss) allocated to non-controlling interest	6,753.34	(11,127.94)
Dividend to non-controlling interest	-	-

#### (ii) Summarised Balance Sheet

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermmediates Limited		
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Current assets (a)	8,90,246.46	7,18,295.51	6,07,576.11
Current liabilities (b)	(9,20,524.13)	(7,44,118.95)	(5,73,818.25)
Net current assets (c) = (a) - (b)	(30,277.67)	(25,823.45)	33,757.86
Non-current assets (d)	99,362.72	84,663.92	97,979.03
Non-current liabilities (e)	(4,234.31)	(8,594.93)	(59,078.93)
Net non-current assets (f) = (d) - (e)	95,128.40	76,068.99	38,900.10
Net assets (g) = (c) +(f)	64,850.73	50,245.55	72,657.96
Accumulated non-controlling interest	32,963.63	25,097.65	36,292.65

#### (iii) Summarised Cash flows

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermmediates Ltd	
	2017-18	2016-17
Cash flows from operating activities	94,999.85	1,51,733.24
Cash flows from investing activities	(493.58)	13,431.24
Cash flows from financing activities	23,932.03	(1,68,564.49)
Net increase/(decrease) in cash and cash equivalents	1,18,438.30	(3,400.01)

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

#### Note 41: Additional information pursuant to Schedule III to the Companies Act, 2013

(₹ in '000)

Name of the Entity in the Group	Net assets i.e., total assets minus total liabilities		Share of Profit or (Loss)		Share in Other Comprehensive income		Share in Total Comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other comprehensive Income	Amount	As % of Consolidated Total comprehensive Income	Amount
<b>Parent Company</b>								
Asit C. Mehta Financials Services Limited	93.31	2,93,859.63	234.12	(31,298.68)	(0.01)	(6.59)	(10.79)	(5,951.21)
<b>Indian Subsidiaries</b>								
Nucleus IT Enabled Services Ltd	5.36	16,871.63	33.79	(4,517.85)	98.78	66,892.39	98.95	54,567.79
Asit C. Mehta Investment Intermediates Limited	11.53	36,322.64	(215.23)	28,773.56	2.50	1,695.45	24.09	13,286.14
<b>Total</b>	<b>110.20</b>	<b>3,47,053.91</b>	<b>52.68</b>	<b>(7,042.98)</b>	<b>101.27</b>	<b>68,581.25</b>	<b>112.25</b>	<b>61,902.72</b>
<b>Less: Non-controlling Interest in:</b>								
Asit C. Mehta Investment Intermediates Limited	10.20	32,125.35	(47.32)	6,325.92	1.27	861.80	12.25	6,753.34
<b>TOTAL</b>	<b>100.00</b>	<b>3,14,928.56</b>	<b>100.00</b>	<b>(13,368.90)</b>	<b>100.00</b>	<b>67,719.45</b>	<b>100.00</b>	<b>55,149.38</b>

The above figures are after eliminating intra group transactions and intra group balances as at 31.3.2018.

#### Note 42: Disclosure pursuant to Indian Accounting Standard (Ind AS) 101 "First time adoption of Indian Accounting Standards"

##### A. Effect of Ind AS Adoption on Balance Sheet as at March 31, 2017 and April 1, 2016

(₹ in '000)

Particulars	As at 31 March 2017			As at 1 April 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>						
<b>NON-CURRENT ASSETS</b>						
(a) Property, Plant and Equipment (refer note 3)	6,66,953.99	(6,38,576.08)	28,377.92	6,79,714.90	(6,51,627.83)	28,087.07
(b) Investment property (refer note 5)	-	6,40,683.35	6,40,683.35	-	6,53,735.00	6,53,735.00
(c) Goodwill	-	40,012.01	40,012.01	-	41,658.39	41,658.39
(d) Intangible assets	48,796.86	(40,012.01)	8,784.85	51,016.43	(41,658.39)	9,358.04
(e) Financial Assets						
(i) Loans	85,651.70	(64,760.42)	20,891.28	91,236.61	(70,400.14)	20,836.47
(ii) Investments (refer note 2 & 4)	26,309.22	(16,270.81)	10,038.41	24,509.22	(23,939.54)	569.67
(iii) Others	-	50.00	50.00	-	50.00	50.00
(f) Income tax Assets	-	13,559.06	13,559.06	-	13,857.94	13,857.94
(g) Deferred tax assets (refer note 8)	7,337.10	5,599.23	12,936.34	13,499.15	9,323.98	22,823.13
(h) Other non-current assets	40,437.18	(32,869.15)	7,568.04	53,552.70	(45,910.06)	7,642.64
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,75,486.06</b>	<b>(92,584.82)</b>	<b>7,82,901.24</b>	<b>9,13,529.00</b>	<b>(1,14,910.65)</b>	<b>7,98,618.35</b>

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**
**Notes forming part of the Consolidated Financial Statements:**

(₹ in '000)

Particulars	As at 31 March 2017			As at 1 April 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>CURRENT ASSETS</b>						
<b>(a) Financial Assets</b>						
(i) Trade receivables	15,132.19	17,310.59	32,442.78	16,814.20	21,125.77	37,939.97
(ii) Cash and cash equivalents	3,00,120.87	(2,60,462.62)	39,658.25	2,57,005.19	(2,12,835.46)	44,169.73
(iii) Bank balance other than (ii) above	-	2,60,462.62	2,60,462.62	-	2,12,835.46	2,12,835.46
(iv) Loans	1,75,316.16	(76,740.61)	98,575.55	90,526.13	(27,837.53)	62,688.60
(v) Others Financial Assets	-	2,70,690.69	2,70,690.69	-	1,70,395.47	1,70,395.47
(b) Assets Classified as Held for Sale	-	-	-	-	5,526.18	5,526.18
(c) Other current assets:	1,36,386.91	(1,28,916.83)	7,470.08	73,285.62	(68,419.86)	4,865.75
<b>TOTAL CURRENT ASSETS</b>	<b>6,26,956.13</b>	<b>82,343.83</b>	<b>7,09,299.96</b>	<b>4,37,631.13</b>	<b>1,00,790.03</b>	<b>5,38,421.16</b>
<b>TOTAL ASSETS</b>	<b>15,02,442.19</b>	<b>(10,240.98)</b>	<b>14,92,201.20</b>	<b>13,51,160.13</b>	<b>(14,118.62)</b>	<b>13,37,039.51</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
(a) Equity Share capital (refer note 7)	49,525.60	(1,189.85)	48,335.75	49,525.60	(1,189.85)	48,335.75
(b) Other Equity (refer note 9)	2,04,180.17	7,635.52	2,11,815.69	2,28,944.20	1,035.04	2,29,979.24
<b>Equity attributable to owner of the company</b>	<b>2,53,705.77</b>	<b>6,445.67</b>	<b>2,60,151.44</b>	<b>2,78,469.80</b>	<b>(154.82)</b>	<b>2,78,314.99</b>
<b>Non - controlling interest</b>	<b>1,06,999.53</b>	<b>(82,732.38)</b>	<b>24,267.16</b>	<b>1,19,779.07</b>	<b>(83,213.90)</b>	<b>36,565.18</b>
<b>LIABILITIES</b>						
<b>NON-CURRENT LIABILITIES</b>						
<b>(a) Financial Liabilities</b>						
(i) Borrowings (refer note 6 & 9)	3,54,789.23	(14,320.28)	3,40,468.95	3,10,745.76	(11,192.07)	2,99,553.69
(ii) Provisions	253.37	-	253.37	1,344.61	-	1,344.61
(iii) Other financial liabilities	-	-	-	-	-	-
(b) Other non-current liabilities	45,887.42	(45,531.17)	356.25	42,174.38	(41,699.38)	475.00
(c) Deferred tax liabilities (refer note 8)	-	-	-	255.70	(255.70)	-
<b>TOTAL NON- CURRENT LIABILITIES</b>	<b>4,00,930.02</b>	<b>(59,851.44)</b>	<b>3,41,078.58</b>	<b>3,54,520.45</b>	<b>(53,147.15)</b>	<b>3,01,373.30</b>
<b>CURRENT LIABILITIES</b>						
<b>(a) Financial Liabilities</b>						
(i) Borrowings (refer note 10)	2,29,187.27	1,27,492.42	3,56,679.69	2,91,586.43	1,28,811.80	4,20,398.22
(ii) Trade payables	19,408.32	3,87,419.99	4,06,828.31	16,288.44	2,32,858.45	2,49,146.90
(iii) Other financial liabilities	-	93,245.08	93,245.08	-	42,339.31	42,339.31
(b) Other Current Liabilities	4,91,417.08	(4,82,260.33)	9,156.75	2,90,186.78	(2,81,614.32)	8,572.46

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Notes forming part of the Consolidated Financial Statements:

(₹ in '000)

Particulars	As at 31 March 2017			As at 1 April 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
(c) Provisions	794.20	-	794.20	329.16	-	329.16
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,40,806.87</b>	<b>1,25,897.17</b>	<b>8,66,704.03</b>	<b>5,98,390.81</b>	<b>1,22,395.24</b>	<b>7,20,786.05</b>
<b>TOTAL LIABILITIES</b>	<b>11,41,736.89</b>	<b>66,045.72</b>	<b>12,07,782.61</b>	<b>9,52,911.26</b>	<b>69,248.09</b>	<b>10,22,159.35</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,02,442.19</b>	<b>(10,240.98)</b>	<b>14,92,201.20</b>	<b>13,51,160.13</b>	<b>(14,120.62)</b>	<b>13,37,039.51</b>

### B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(₹ in '000)

Particulars	previous GAAP	Effect of transition to Ind AS	Ind AS
<b>INCOME</b>			
Revenue from Operations	3,64,429.33	-	3,64,429.33
Other Income	29,747.23	(56.35)	29,690.88
<b>Total Income</b>	<b>3,94,176.57</b>	<b>(56.35)</b>	<b>3,94,120.22</b>
<b>EXPENSES</b>			
Employee benefits expense (refer note 1)	1,07,725.60	(144.81)	1,07,580.80
Finance costs	81,112.61	(3,614.35)	77,498.26
Depreciation and amortisation expense	22,100.15		22,100.15
Other expenses	2,14,765.98	5.27	2,14,771.25
Total expenses	4,25,704.35	(3,753.90)	4,21,950.45
<b>Profit/(loss) before exceptional items and tax</b>	<b>-</b>		
<b>Profit/(loss) before tax</b>	<b>(31,527.78)</b>	<b>3,697.54</b>	<b>(27,830.23)</b>
Tax expense			
Current Tax	-		
Deferred Tax	(5,906.45)	(1,691.68)	(7,598.12)
- Prior year tax adjustment	(109.35)	-	(109.35)
MAT Credit	-	-	-
<b>Total Tax Expense</b>	<b>(6,015.79)</b>	<b>(1,691.68)</b>	<b>(7,707.47)</b>
<b>Profit/(loss) after tax for the year</b>	<b>(37,543.57)</b>	<b>2,005.87</b>	<b>(35,537.71)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified subsequently to profit or loss :</b>			
i) Items that will not be reclassified to profit or loss:	-		
a) Re-measurement gains/ (losses) on defined benefit plans (refer note 1)	-	(1.35)	(1.35)



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes forming part of the Consolidated Financial Statements:

Particulars	(₹ in '000)		
	previous GAAP	Effect of transition to Ind AS	Ind AS
b) Effect of measuring Equity Instruments on Fair Value		7,668.73	7,668.73
c) Income Tax on (a) and (b)	-	(2,288.66)	(2,288.66)
<b>Other comprehensive income for the year, net of tax</b>	-	<b>5,378.72</b>	<b>5,378.72</b>
<b>Total comprehensive income for the year</b>	<b>(37,543.57)</b>	<b>7,384.59</b>	<b>(30,158.99)</b>
<b>Net Profit attributable to:</b>			
a) Owners of the Company	(24,764.03)	1,561.19	(23,202.85)
b) Non Controlling Interest	(12,779.54)	444.68	(12,334.86)
<b>Other Comprehensive Income attributable to:</b>			
a) Owners of the Company	-	5,274.82	5,274.82
b) Non Controlling Interest	-	103.90	103.90
<b>Total Comprehensive Income attributable to:</b>			
a) Owners of the Company	(24,764.03)	5,732.99	(19,031.04)
b) Non Controlling Interest	(12,779.54)	1,651.59	(11,127.94)

### C. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016

Particulars	(₹ in '000)	
	As at March 31, 2017	As at April 1, 2016
<b>Total Equity as per previous GAAP</b>	<b>2,53,705.77</b>	<b>2,78,469.80</b>
<b>Add / (less) : adjustments in statement of profit and loss</b>		
<b>Adjustments :</b>		
a. Reduction of Treasury shares (refer note 7)	(1,192.39)	(1,192.39)
b. Gain/(Loss) on measuring Equity Instruments at FVTOCI	5,229.34	-
c. Actuarial losses/(gain) of retirement benefits transferred to Other Comprehensive Income (Net of taxes)	66.39	-
d. Interest Expenses on Non current financial liability as per Effective Interest Method	920.52	-
e. Expense not to be amortised	(146.75)	-
Equity Component of Compound Financial Instruments	-	2,990.55
f. Financial guarantee commission Income (refer note 4)	59.43	-
g. Amortisation of Loan processing charges, Now classified (refer note 6)	1,289.00	-
h. Prior period expenses (refer note 11)	83.19	-
i. Unamortised expenses reflected under Prepaid Expenses (Current + Non- Current)	(1,087.78)	(1,234.45)
j. Fair Valuation of Equity Shares	(8,300.29)	20.91
k. Deferred Tax Assets	8,549.01	5,640.71
l. Other Ind As adjustments	976.00	(6,380.15)
<b>Total adjustments</b>	<b>6,445.67</b>	<b>(154.82)</b>
<b>Total Equity as per Ind AS</b>	<b>2,60,151.43</b>	<b>2,78,314.98</b>

**Notes forming part of the Consolidated Financial Statements:**
**D. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017**

(₹ in '000)

Particulars	For the year ended March 31, 2017
<b>Net Profit as per Previous GAAP</b>	<b>(37,543.57)</b>
Add /(Less) : Adjustments in Statement of Profit and Loss	
a. Financial Cost	3,614.35
b. Remeasurement [(gain)/loss] on the Defined Benefit Plans (Net of Tax)	88.45
c. Other Expenses	(5.27)
d. Deferred Tax	(1,691.68)
<b>Total effect of transition to Ind AS</b>	<b>2,005.87</b>
<b>Net profit as per Ind AS</b>	<b>(35,537.71)</b>
<b>Other Comprehensive Income (Net of Tax)</b>	<b>5,378.72</b>
<b>Total Comprehensive Income</b>	<b>(30,158.99)</b>

**Notes to the Reconciliation**
**1 Defined Benefit Plans**

Under previous GAAP, actuarial gains and losses were recognised Statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability/ asset, are recognised in the Other Comprehensive Income instead of profit or loss. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

**2 Non-Current Investments**

The Group has valued Investment in Equity shares (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Other Comprehensive Income.

**3 Property, Plant and Equipment**

The Group has availed the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

**4 Financial Guarantee Expenses**

“Under Ind AS, the Group has recognised fair value of financial guarantee provided to its subsidiary companies. The fair value of such guarantee as at April 01, 2016 has been recognised as additional capital investment in its subsidiaries company and is amortised over tenure of the loan. The impact of amortisation of such fair value of guarantee has been recognised in the statement of profit and loss as interest income for the year ended March 31, 2017.

**5 Investment Property**

Pursuant to Ind AS requirements, investment property is presented separately. Under I-GAAP the same was presented as part of tangible assets. Tangible assets have been now divided into two categories under Ind AS viz. Property, plant and equipment and Investment property. Under Ind AS, in terms of para D7AA of Ind AS 101 on “ First-time Adoption of Indian Accounting Standards”, the company has measured Investment Property as per the previous GAAP and use that as its deemed cost as at the date of transition.

## Notes forming part of the Consolidated Financial Statements:

### 6 Loan Processing charges

Under Previous GAAP, the Company had recognised transaction costs incurred in respect of borrowings in the Statement of Profit and Loss or capitalised as part of cost of Property, Plant and Equipment/Capital work progress in the year in which costs were incurred. Under Ind AS 109, such transaction costs are adjusted against carrying value of borrowing and are amortised using effective interest rate method over the tenure of the loan. Accordingly loan were debited and corresponding credit was given to retained earnings or property plant and equipment on date of transition. Under Ind AS, finance cost has been charged to statement of profit and loss for amortisation of such transaction cost during the year ended 31 March 2016. A portion of such transaction cost that would be eligible for capitalisation as borrowing cost has been capitalised using effective interest rate method.

### 7 Treasury Shares

The Company's share held by Nucleus Stock Trust has been classified as treasury shares. Nucleus Stock Trust is a trust created wholly for the benefit of the Company and is being managed by trustees appointed by it. Refer Note- 15

### 8 Deferred Tax

Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Under I-GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

### 9 Compound Financial instruments

Persuant to Ind AS 32, 14% Compulsory convertible debentures issued by the subsidiary company is split into equity and liability component and presented accordingly. The measurement of liability component is done at fair value at the inception and subsequently at amortised cost. Under IGAAP, 14% convertible debentures was accounted at cost and presented as borrowing.

### 10 Preference shares considered as financial liability

Cumulative redeemable preference shares issued by the Group have been classified as current borrowings and recognised at cost on transition date as against part of share capital under the previous GAAP.

### 11 Prior Period Errors

As per Ind AS 8, prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error. On the date of transition, Prior period error existing in the statement of profit and loss for the year ended March 31, 2017 is adjusted through Retained earnings.

For Chandrakant & Sevantilal & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2018

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Rs. In Lakhs)

Sr. No	Name of the Subsidiary	Asit C. Mehta Investment Intermediates Limited (ACMIL)	Nucleus IT Enabled Services Limited (NITES)	Asit C. Mehta Comdex Services DMCC
1.	Reporting period for the Subsidiary	March 31,2018	March 31,2018	March 31,2018
2.	Reporting Currency	Indian Rupees (INR)	Indian Rupees (INR)	AED
3.	Exchange Rate (as on the last date of the relevant Financial year in the case of foreign subsidiaries)			1AED = 17.71 INR
4.	Share Capital	1171	300.00	6.00
5.	Reserves & Surplus	(522)	(238)	(3.69)
6.	Total Assets	9896	1192	3.97
7.	Total Liabilities	9248	1130	0.00
8.	Investments	209	990	-
9.	Turnover	4085.44	272.94	-
10.	Profit Before Tax	126.38	(123.25)	0.00
11.	Provision for Taxation	(10.47)	(0.00)	-
12.	Profit After Tax	115.90	(123.25)	0.00
13.	Proposed Dividend	-	-	-
14.	% of shareholding	49.17%	100%	100% of ACMIL

##### Part "B": Associates and Joint Ventures

Not Applicable

#### For and on behalf of the Board

Asit C. Mehta  
Chairman  
DIN: 00169048

Kirit H. Vora  
Director  
DIN: 00168907

Mumbai  
29th May, 2018

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

(CIN: L65900MH1984PLC091326)

Registered office: Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072

Tel: 022-28570781 / 28583333

Website: www.acmfsl.com Email id: investorgrievance@acmfsl.co.in

**ATTENDANCE SLIP**

34th Annual General Meeting on Saturday, 29th September, 2018 at 11.00 A.M. at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072

Folio No.:	DP ID No.:	Client ID No.:
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I / We hereby record my/our presence at the Thirty Fourth Annual General Meeting of the Company at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072, at 11.00 a.m. on Saturday, 29th September, 2018.

Name of the Member _____ Signature _____
Name of the Proxy holder _____ Signature _____

Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

(CIN: L65900MH1984PLC091326)

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**Form No. MGT-11  
PROXY FORM**

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

34th Annual General Meeting - Saturday, 29th September, 2018 at 11.00 A.M.

Name of the Member(s):
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of ..... shares of the Company, hereby appoint

Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fourth Annual General Meeting of the Company, to be held on Saturday, 29th day of September, 2018 At 11.00 a.m. at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution Number	Resolution	Vote (Please mark (√) and No. of shares)		
		For	Against	Abstain
<b>Ordinary Business:</b>				
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.			
2	To appoint a Director in place of Mrs. Deena A. Mehta (DIN: 00168992), who retires by rotation and, being eligible, offers himself for re-appointment.			
3	Appointment of Statutory Auditors of the Company.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**Affix  
Revenue  
Stamp**

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Note:

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. Those Members who have multiple folios with different folios may use copies of this Attendance slip/Proxy.



**Asit C. Mehta Financial Services Limited**

**CIN: L65900MH1984PLC091326**

Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072