

# ASIT C. MEHTA FINANCIAL SERVICES LTD.

Registered Office: 'Nucleus House', Saki Vihar Road, Andheri (East), Mumbai 400072. • Tel.: 022 - 28570781 / 28583

Email id: [investorgrievance@acmfsl.co.in](mailto:investorgrievance@acmfsl.co.in) / [accounts@nucleusservices.com](mailto:accounts@nucleusservices.com)

Website: [www.acmfsl.com](http://www.acmfsl.com) • CIN: L65900MH1984PLC091326

September 04, 2019

To,  
**BSE Limited;**  
Listing Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400001

Scrip Code - 530723

Dear Sir/Madam,

**Sub: Submission of 35<sup>th</sup> Annual Report along with Notice of Annual General Meeting (AGM) pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; we are pleased to submit the 35<sup>th</sup> Annual Report for the financial year 2018-19 of the Company containing the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Changes in Equity, the statement of the Profit and Loss, Cash Flow for the year ended 31<sup>st</sup> March, 2019 and the Boards' Report along with Corporate Governance Report and the Auditors' Report on that date and its annexures.

Kindly note that the 35<sup>th</sup> Annual General Meeting of **Asit C. Mehta Financial Services Limited** is scheduled to be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 a.m. at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072.

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking you,

Yours faithfully

**For Asit C. Mehta Financial Services Limited**

  
**Meha Singh Sikarwar**  
Company Secretary & Compliance Officer



Encl: a/a.

# **ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

**35<sup>th</sup> Annual Report  
2018-2019**

**Financial Highlights****(Rs. in Lakhs)**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
Net Worth*	878	573	574	606	834
Borrowings	3,461	3,755	3,339	2,427	1,573
Net fixed Assets (including revaluation)	27	28	30	6,554	5,607
Investments	1,572	1,568	1,560	1,547	1,547
Book Value per share (in rupees)	85.96	79.79	81.04	12.23	16.85
Gross Income	1,092	652	663	340	372
Operating and Other expenses	730	709	672	582	430
Profit Before Tax	362	(58)	(9)	(243)	(57)
Profit After Tax	306	(59)	(18)	(229)	(42)
Equity Dividend Per share – (in rupees)	-	-	-	-	-

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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

### **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  
Bank of India  
State Bank of India  
Yes Bank Limited  
IndusInd Bank Limited  
Kotak Mahindra 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

(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 FIFTH 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 Friday, 27th September, 2019 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, 2019 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 Mr. Kirit H. Vora (DIN: 00168907), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolution**:

3. Appointment of Dr. Radha Krishna Murthy (DIN: 00221583), Independent Director for a second term of 5 (five) consecutive years after the expiry of his present term of office.

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Dr. Radha Krishna Murthy (DIN: 00221583), who was appointed as an Independent Director of the Company at the 30th Annual General Meeting (2014) of the company and who is eligible for being re-appointed as an Independent Director and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of Directors of the Company after the expiry of his present term of office i.e. with effect from 35th AGM (2019) till the date of the 40th AGM (2024) of the Company (both days inclusive) .

**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.”

4. Appointment of Mr. Pundarik Sanyal (DIN: 01773295), Independent Director for a second term of 5 (five) consecutive years after the expiry of his present term of office.

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Pundarik Sanyal (DIN: 01773295), who was appointed as an Independent Director of the Company at the 30th Annual General Meeting (2014) of the company and who is eligible for being re-appointed as an Independent Director and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of Directors of the Company after the expiry of his present term of office i.e. with effect from the 35th AGM (2019) till the date of the 40th AGM (2024) of the Company (both days inclusive) .

**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, 2019**

**Place: Mumbai**

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

**REGISTERED OFFICE:**

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

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting. – are attached.
2. The Register of Members and Transfer Books of the Company will remain closed from Friday, 20th September, 2019 to Friday, 27th September, 2019 (both days inclusive).
3. A Route map showing directions to reach the venue of the 35th 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. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to notify change of address, if any, to the Company / Registrar and Share Transfer Agent.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar and Share Transfer Agent.

10. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083 about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
11. SEBI vide its notification dated 8th June, 2018, as amended on 30th November, 2018, has stipulated that w.e.f. 1st April, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.
12. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
13. 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.
14. Electronic copy of the Annual Report for Financial Year 2018-19 and the Notice of 35th 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 2018-19 and the Notice of 35th 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.

**15. 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 Obligations and Disclosure Requirements) 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 Friday, 20th September, 2019 (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. 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 Tuesday September 24, 2019 at 9.00 a.m. and will end on Thursday, September 26, 2019 at 5.00 p.m. During this period, shareholders' of the company, holding shares either in physical form or in dematerialized

form, as on 20th September, 2019 (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) or contact them at 1800 200 5533.
16. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficial owner’s position list provided by depositories as at closing hours of business, on 20th September, 2019.
17. 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.

**FOR AND ON BEHALF OF THE BOARD**

**Date: 29th May, 2019**

**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

### 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

Particulars	Mr. Kirit H. Vora		Dr. Radha Krishna Murthy		Mr. Pundarik Sanyal			
Date of Birth	26/12/1958		22/08/1953		28/01/1950			
Date of Appointment	04/03/1992		31/01/2006		31/07/2014			
Age	60		66		69			
Qualifications	B. Com., ACA, PG Dip in Securities Law		B.Sc, LLB, MMS, PhD in Management.		B.Sc. Tech			
Expertise in specific functional areas	Wide experience of more than 34 years in, Financial Services sector		Specialized in the field of Industrial Relations, Labour Laws and Human Resources Management		Wide experience of more than 34 years in Banking and Finance.			
Remuneration last drawn	Nil (Except sitting fees)		Nil (Except sitting fees)		Nil (Except sitting fees)			
No. of Meetings of the Board attended during the year.	Held	Attended	Held	Attended	Held	Attended		
	4	4	4	4	4	4		
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Asit C. Mehta Investment Intermediaries Limited		Nil		1. Ashapura Minechem Limited			
	2. Securities Industry Association of India				2. Orient Abrasives Limited			
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.	None		None		Sr. No.	Name of the Company	Type of Committee	Position
					1.	Orient Abrasives Limited	Audit Committee	Chairman
							Stakeholders Relationship Committee	Member
Number of shares held in the Company	23,520 equity shares of Rs. 10/- each.		1,000 equity shares of Rs. 10/- each.		Nil			
Relationship with other Directors	None		None		None			

**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 & 4 of the accompanying Notice:

**Item 3 & 4:**

Dr. Radha Krishna Murthy (DIN: 00221583) and Mr. Pundarik Sanyal (DIN: 01773295), were appointed as an Independent Directors at the 30th Annual General Meeting (2014) to hold office as such for a period of five Consecutive years up to 35th Annual General Meeting (2019) of the Company.

Pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, Dr. Radha Krishna Murthy (DIN: 00221583) and Mr. Pundarik Sanyal (DIN: 01773295), are eligible to be re-appointed as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years after the expiry of their present term of office i.e. with effect from 35th AGM (2019) till the date of 40th AGM (2024) of the Company (both days inclusive).

The Board recommends the Special Resolution set out at Item No. 3 & 4 of the Notice for approval by the Members.

The above said directors being the appointees may be considered as interested in the resolution. None of the other 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 & 4 of the Notice.

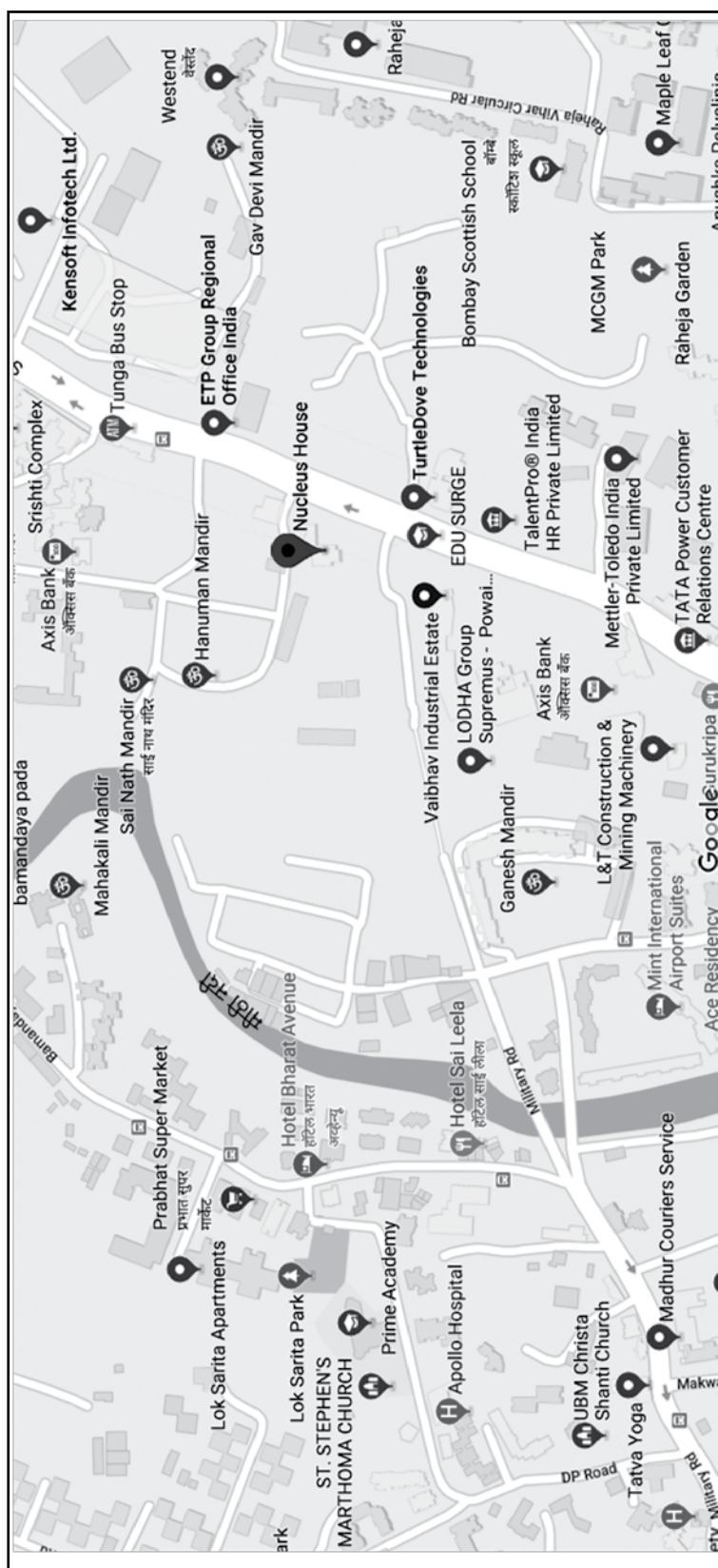
**FOR AND ON BEHALF OF THE BOARD**

**Date: 29th May, 2019  
Place: Mumbai**

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

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

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 Fifth Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2019.

**1. FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31, 2019 is summarized below:

Particulars	Standalone (Rs. In lakhs)		Consolidated (Rs. In lakhs)	
	2018-2019	2017-2018	2018-2019	2017-2018
Total Revenue	1,092.05	651.69	4,572.79	4,722.16
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>898.74</b>	<b>505.49</b>	<b>1245.52</b>	<b>816.98</b>
Less: Interest	399.16	426.03	680.65	647.87
Less: Depreciation	137.09	136.98	235.87	227.14
<b>Profit/ (Loss) Before Tax</b>	<b>362.49</b>	<b>(57.52)</b>	<b>329.00</b>	<b>(58.03)</b>
Tax Expenses				
Current Tax	30.69	-	48.26	-
Deferred Tax	46.69	1.98	40.54	(12.35)
MAT credit entitlement	(21.13)		(38.70)	
Prior Period tax	0.71	(0.06)	0.81	0.05
<b>Net Profit/ (Loss) after Tax</b>	<b>305.52</b>	<b>(59.45)</b>	<b>278.09</b>	<b>(70.43)</b>
<b>Other comprehensive</b>	<b>(0.15)</b>	<b>(0.07)</b>	<b>9.63</b>	<b>685.81</b>
<b>Total comprehensive income</b>	<b>305.67</b>	<b>(59.51)</b>	<b>287.72</b>	<b>615.38</b>
Appropriations:				
Proposed Dividend	-	-	-	-
Tax on Proposed Dividend	-	-	-	-
Transfer to General Reserve	-	-	-	-
<b>Balance carried to Balance Sheet</b>	<b>305.67</b>	<b>(59.51)</b>	<b>287.72</b>	<b>615.38</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.)*	6.32	(1.23)	5.75	(1.46)

\* 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 these 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 Nucleus IT Enabled Services Limited, Wholly Owned Subsidiary and Asit C. Mehta Investment Intermediates Limited, Controlled Subsidiary (pursuant to Indian Accounting Standard (Ind AS) 110) for entire year.

**2. DIVIDEND**

Your Directors do not recommend any dividend for the financial year 2018-19 and intend to deploy the profits in the business operations of the company.

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

On a Standalone basis, the gross earnings raised at Rs.1092.05 lakhs from Rs.651.69 lakhs. The year ended with a profit after tax of Rs. 305.52 lakhs as compared to loss after tax of Rs.59.45 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.591.80 lakhs from Advisory and Consultancy Division.

On a consolidated basis, the gross revenues reduced to Rs.4572.79 lakhs as compared to Rs.4722.16 lakhs in the previous year and profit after tax was at Rs.278.09 lakhs as against loss after tax of Rs.70.43 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 increased to Rs.280.71 Lakhs as compared to Rs.269.94 Lakhs in the previous year and the loss before depreciation and finance cost was Rs.138.92 lakhs as compared to loss before depreciation and finance cost of Rs.36.78 lakhs in the previous year. The overall loss stood at Rs.257.94 lakhs as against Rs.123.25 lakhs in the previous year.

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

The Company has one subsidiary and one associate company as on March 31, 2019. There has been no change in the nature of the business of the subsidiary and associate company.

The Company has a wholly owned subsidiary viz. Nucleus IT Enabled Services Limited pursuant to section 2(87) of the Act. and an associate company viz. Asit C. Mehta Investment Intermmediates Limited (ACMIL).

During the year under review, Asit C. Mehta Investment Intermmediates Limited (ACMIL) has ceased to be a subsidiary of the Company with effect from October 04, 2018. As Asit C. Mehta Comdex Services DMCC, a company incorporated in Dubai, is the wholly owned subsidiary of ACMIL, it also ceased to be a subsidiary of the Company under section 2(87) of the Act.

The names of companies that cease to be Subsidiary Companies during the year are as under:

Sr. No	Name of the Company	With effect from
1.	Asit C. Mehta Investment Intermmediates Limited	October 04, 2018
2.	Asit C. Mehta Comdex Services DMCC	October 04, 2018

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary & Associate Company 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, 2019 was Rs.49,525,600/- divided into 4,952,560 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, Mr. Kirit H. Vora (DIN: 00168907), Non-Executive Director of the Company, retires by rotation and being eligible has offered himself 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 25 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.

Dr. Radha Krishna Murthy (DIN: 00221583) and Mr. Pundarik Sanyal (DIN: 01773295), were appointed as an Independent Directors at the 30th Annual General Meeting (2014) to hold office as such for a period of five Consecutive years up to 35th Annual General Meeting (2019) of the Company.

Pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, Dr. Radha Krishna Murthy (DIN: 00221583) and Mr. Pundarik Sanyal (DIN: 01773295), are eligible to be re-appointed as an Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years after the expiry of their present term of office i.e. with effect from the 35th AGM (2019) till the date of the 40th AGM (2024) of the Company (both days inclusive).

**d. Board Effectiveness**

- i. Familiarisation Programme for the Independent Directors: In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarisation programme for the Independent Directors to familiarise them with their role, rights and responsibilities 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 Obligations 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)
- b. Mr. Pankaj Jeevanlal Parmar, Manager
- c. Ms. Meha Singh Sikarwar, Company Secretary

**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, 2019, 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, 2019 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**

Four 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 four 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**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, Vadodara, (F.R.No.101676W) were appointed as Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of Thirty Fourth (34th) AGM held on September 29, 2018 till the conclusion of the Thirty Ninth (39th) AGM to be held in the year 2023.

**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 2018-19 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, 2019

(Rs. in lakhs)

<b>Particulars</b>	<b>Amount</b>
Loans given	0.00
Guarantees given	630.00
Investments made	1571.85

Name of Entity	Relation	Amount (in lakhs)	Particulars of Loan/ Guarantee/ Investments	Purpose
Asit C Mehta Investment Intermediates Limited (ACMIL)	Associate Company	1,266.27	Investments	Investment in Equity Shares of the company
Omniscience Capital Advisor Pvt Ltd	None	5.58	Investments	Investments in Preference Shares of the company
Nucleus IT Enabled Services Limited (NITES)	Wholly Owned Subsidiary	300.00	Investments	Investment in Equity Shares of the company
Asit C Mehta Investment Intermediates Limited (ACMIL)	Associate Company	630.00	Security / Guarantee	Financial Support

**13. TRANSACTIONS WITH RELATED PARTIES**

The Company has not entered into any material contracts, with the related parties during the year 2018-19 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 2018-19:

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

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

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013.

**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 and Chief Financial Officer of the Company during the financial 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 2018-19, 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, 2019.

**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	11.01
Revenue	1092.05
Remunerations of KMP (as % of above)	1.01
Profit / Loss before tax	362.49
Remunerations of KMP (as % of Profit before tax)	3.04

**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, 2019	March 31, 2018	% Change
Market Capitalisation (No. of Shares X Market price)	1,795.30*	2,575.33	(30.29)
Price Earning Ratio	5.74	NIL	100.00

\* As no trading was done from 26.03.2019 to 31.03.2019, therefore Market price of 25.03.2019 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 2019	24th April 1995 (IPO)	% Increase
Market price (BSE)	36.25	35.00	3.57

- 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:

Particulars	Ms. Mamta Gautam	Mr. Pankaj Parmar	Ms. Meha Singh Sikarwar
	Chief Financial Officer	Manager	Company Secretary
Remuneration in FY 2018-19	11.01	-	-
Remuneration as % of revenue	1.01	-	-
Profit / Loss before tax (PBT)	362.49	362.49	362.49
Remuneration as % of PBT	3.04	Not computable	Not computable

- 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:

- receipt of remuneration which was not less than sixty lakhs per annum ;
- five lakhs rupees per month;
- 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 Obligations 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 forms 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 Obligations 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**

Foreign Exchange Outgo: Nil

Foreign Exchange Earnings is as follows:

(Rs. in lakhs)

Particulars	Amount
Advisory charges - Export	533.55

**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 Company 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**

**Date: 29th May, 2019**

**Place: 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, 2019, 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, 2019 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, 2018 (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.
- 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the Minutes.

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)**

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

Place : Mumbai  
Date : May 29, 2019

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)**

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

Place : Mumbai  
Date : May 29, 2019

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

as on the financial year ended on March 31, 2019

[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: investor grievance@acmfsl.co.in  
Website: 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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Advisory & Consultancy	66190	54.19
2.	Rental Income	68100	42.30

**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.	Nucleus IT Enabled Services Limited (NITES) Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072	U2900MH2008PLC182793	Wholly owned subsidiary	100%	2(87)
2	Asit C. Mehata investment intermediates ltd Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072	U65990MH1993PLC075388	Associate	49.17%	2(6)

\* During the year under review, Asit C. Mehta Investment Intermediates Limited (ACMIL) and Asit C. Mehta Comdex Services DMCC has ceased to be a subsidiary of the Company with effect from October 04, 2018.

**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 -2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% 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	3,279,516	0	3,279,516	66.22	3,279,516	0	3,279,516	66.22	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	414,370	0	414,370	8.37	414,370	0	414,370	8.37	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>3,693,886</b>	<b>0</b>	<b>3,693,886</b>	<b>74.59</b>	<b>3,693,886</b>	<b>0</b>	<b>3,693,886</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>3,693,886</b>	<b>0</b>	<b>3,693,886</b>	<b>74.59</b>	<b>3,693,886</b>	<b>0</b>	<b>3,693,886</b>	<b>74.59</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	24,576	-	24,576	0.50	100
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1): -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,576</b>	<b>-</b>	<b>24,576</b>	<b>0.50</b>	<b>100</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	162,592	2,500	165,092	3.33	168,636	2,500	171,136	3.46	3.66
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	266,072	123,582	389,654	7.87	236,703	98,779	335,482	6.77	(13.90)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April -2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Qualified Foreign Investor (Individual & Corporate)	-	-	-	-	-	-	-	-	-
Clearing Member	1,753	-	1,753	0.04	595	-	595	0.01	(66.06)
Foreign Portfolio Investor (Individual & Corporate)	-	-	-	-	-	-	-	-	-
Market Maker	-	-	-	-	-	-	-	-	-
Office Bearers	-	-	-	-	-	-	-	-	-
NRI's (Repatriable)	1,005	-	1,005	0.02	1005	-	1005	0.02	-
NRI's (Non-Repatriable)	11,511	-	11,511	0.23	11,211	-	11,211	0.23	-
Holding Company	-	-	-	-	-	-	-	-	-
HUF	54,157	-	54,157	1.09	449,66	-	44,966	0.91	(16.97)
Trusts	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	50	-	50	0.00	100
<b>Sub-total (B)(2): -</b>	<b>1,132,592</b>	<b>126,082</b>	<b>1,258,674</b>	<b>25.41</b>	<b>1,132,819</b>	<b>101,279</b>	<b>1,234,098</b>	<b>24.92</b>	<b>(1.95)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,132,592</b>	<b>126,082</b>	<b>1,258,674</b>	<b>25.41</b>	<b>1,157,395</b>	<b>101,279</b>	<b>1,258,674</b>	<b>25.41</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>4,826,478</b>	<b>126,082</b>	<b>4,952,560</b>	<b>100</b>	<b>4,851,281</b>	<b>101,279</b>	<b>4,952,560</b>	<b>100.00</b>	<b>-</b>

**(b). Shareholding of Promoters & Promoter Group**

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2018)			Shareholding at the end of the year (As on 31-03-2019)			% 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	2,291,638	46.27	0	2,291,638	46.27	0	No change
2	Deena A. Mehta	900,358	18.18	0	900,358	18.18	0	No change
3	Asit C. Mehta Commodity Services Limited	400,470	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	Jayesh Desai HUF	7,120	0.14	0	7,120	0.14	0	No change
7	Gopa Jayesh Desai	1,900	0.04	0	1,900	0.04	0	No change
8	Rupa Atul Shah	1,500	0.03	0	1,500	0.03	0	No change
	<b>Total</b>	<b>3,693,886</b>	<b>74.59</b>	<b>0</b>	<b>3,693,886</b>	<b>74.59</b>	<b>0</b>	<b>No change</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### (c). Change in Promoters & Promoter Group 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.	1201320000000023	Asit C. Mehta	01-Apr-2018	at the beginning of the year	2,291,638	46.27	2,291,638	46.27	
			31-Mar-2019	at the end of the year			2,291,638	46.27	No change
2.	1201320000000019	Deena A. Mehta	01-Apr-2018	at the beginning of the year	900,358	18.18	900,358	18.18	
			31-Mar-2019	at the end of the year			900,358	18.18	No change
3.	1201320001703896	Asit C. Mehta Commodity Services Limited	01-Apr-2018	at the beginning of the year	400,470	8.09	400,470	8.09	
			31-Mar-2019	at the end of the year			400,470	8.09	No Change
4.	1201320000576191	Asit C Mehta HUF	01-Apr-2018	at the beginning of the year	77,000	1.55	77,000	1.55	
			31-Mar-2019	at the end of the year			77,000	1.55	No Change
5.	1201320000005775	Asit C. Mehta Forex private Limited	01-Apr-2018	at the beginning of the year	13,900	0.28	13,900	0.28	
			31-Mar-2019	at the end of the year			13,900	0.28	No Change
6.	1201320000007597	Aditya Asit Mehta	01-Apr-2018	at the beginning of the year	0	0.00	0	0.00	
			31-Mar-2019	at the end of the year			0	0.00	No Change
7.	1201320001087905	Jayesh Desai HUF	01-Apr-2018	at the beginning of the year	7,120	0.14	7,120	0.14	
			31-Mar-2019	at the end of the year			7,120	0.14	No Change
8.	1201320000334594	Gopa Jayesh Desai	01-Apr-2018	at the beginning of the year	1,900	0.04	1,900	0.04	
			31-Mar-2019	at the end of the year			1,900	0.04	No Change
9.	1302340000293910	Rupa Atul Shah	01-Apr-2018	at the beginning of the year	1,500	0.03	1,500	0.03	
			31-Mar-2019	at the end of the year			1,500	0.03	No Change

**(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 (01-04-2018)		Date	Increase & Decrease	Cumulative Shareholding during the year (31-03-2019)	
		No of Shares	% of total Shares of the Company			No of Shares	% of total Shares of the Company
1	Trupti Ketan Karani (IN30027110093659 & 1204510000007069)	2,31,289	4.67	1-Apr-18		231,289	4.6701
				12-Oct-18	525	231,814	4.68
				19-Oct-18	489	232,303	4.69
				26-Oct-18	787	233,090	4.71
				02-Nov-18	1556	234,646	4.74
				09-Nov-18	835	235,481	4.75
				16-Nov-18	25	235,506	4.75
		235506	4.7552	31-Mar-19			
2	Ketan Jayantilal Karani (1204510000007054 & IN30027110174681)	200,275	4.04	1-Apr-18			
				06-Apr-18	977	201,252	4.06
				13-Apr-18	750	202,002	4.08
				20-Apr-18	385	202,387	4.09
				27-Apr-18	1991	204,378	4.13
				04-May-18	1000	205,378	4.15
				06-Jul-18	15000	220,378	4.45
				13-Jul-18	1349	221,727	4.48
				20-Jul-18	50	221,777	4.48
				27-Jul-18	3270	225,047	4.54
				10-Aug-18	80	225,127	4.55
				17-Aug-18	295	225,422	4.55
				3- Aug-18	1000	226,422	4.57
				07-Sep-18	5545	231,967	4.68
				14-Sep-18	750	232,717	4.70
				30-Nov-18	700	233,417	4.71
				07-Dec-18	525	233,942	4.72
				25-Jan-19	-500	233,442	4.71
				01-Feb-19	-751	232,691	4.70
		232691	4.6984	31-Mar-19			

SN	Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2018)		Date	Increase & Decrease	Cumulative Shareholding during the year (31-03-2019)	
		No of Shares	% of total Shares of the Company			No of Shares	% of total Shares of the Company
3	Purvi Ramesh Ambani (1301190100041937)*	118985	2.40	1-Apr-18	Nil movement during the year		
		118985	2.40	31-Mar-19			
4	Suman Marble Industries Private Limited (IN30014210381532)	50,000	1.01	1-Apr-18	Nil movement during the year		
		50,000	1.01	31-Mar-19			
5	Ravi Navratn Jain (1201320000335657)	31,781	0.64	1-Apr-18	Nil movement during the year		
		31,781	0.64	31-Mar-19			
6	Balmukund Investment Company Private Limited (1201320000005756)	27,500	0.56	1-Apr-18	Nil movement during the year		
		27,500	0.56	31-Mar-19			
7	Ketan Jayantilal Karani (HUF) (1204510000006329)	27,191	0.55	1-Apr-18	Nil movement during the year		
		27,191	0.55	31-Mar-19			
8	Nichi Investment Company Private Limited (1201320000005737)	27,000	0.55	1-Apr-18	Nil movement during the year		
		27,000	0.55	31-Mar-19			
9	Kirit Himatlal Vora (1201320000000456)	23,520	0.47	1-Apr-18	Nil movement during the year		
		23,520	0.47	31-Mar-19			
10	Vippy Spinpro Limited (IN30154917194103)	20,000	0.40	1-Apr-18	Nil movement during the year		
		20,000	0.40	31-Mar-19			

**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	2,291,638	46.27	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)	-	-	-	-

**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	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>3775.86</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	46.06	-	46.06
* Reduction	294.34	20.49	-	314.83
Net Change	(294.34)	25.57	-	(268.77)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3461.02	25	-	3486.02
ii) Interest due but not paid	0	0	-	0
iii) Interest accrued but not due	0	21.06	-	21.06
<b>Total (i+ii+iii)</b>	<b>3461.02</b>	<b>46.06</b>	-	<b>3507.08</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/WT/ 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	-
	Total (A)	-
	Ceiling as per the Act	-



## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### B. Remuneration to other directors

(Rs.in thousands)

SN.	Particulars of Remuneration	Fees for Attending Board / Committee Meetings	Commission	Others (pls specify)	Total Amount
1	<b>Independent Directors</b>				
	Mr. Vijay Ladha	40.50	-	-	40.50
	Mr. Radha Krishna Murthy	54.00	-	-	54.00
	Mr. Pundarik Sanyal	36.00	-	-	36.00
	<b>Total (1)</b>	<b>130.50</b>	<b>-</b>	<b>-</b>	<b>130.50</b>
2	<b>Other Non-Executive Directors</b>				
	Mr. Asit Mehta	36.00	-	-	36.00
	Mrs. Deena Mehta	36.00	-	-	36.00
	Mr. Kirit Vora	54.00	-	-	54.00
	<b>Total (2)</b>	<b>126.00</b>	<b>-</b>	<b>-</b>	<b>126.00</b>
	<b>Total (B)=(1+2)</b>	<b>256.50</b>	<b>-</b>	<b>-</b>	<b>256.50</b>
	<b>Total Managerial Remuneration</b>	<b>256.50</b>	<b>-</b>	<b>-</b>	<b>256.50</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		
		Ms. Mamta Gautam (Chief Financial Officer)	Ms. Meha Singh Sikarwar (Company Secretary)	Total
1	Gross salary			
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.01	-	11.01
	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>11.01</b>	<b>-</b>	<b>11.01</b>

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company earns revenues from letting out of properties to external group and other concerns and also earns income from dividends / interest. The Company also owns through its wholly owned Indian 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.591.80 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 Limited (ACMIIL), an Associate Company is engaged into stock broking, depository and allied services. ACMIIL has ceased to be a subsidiary of the Company with effect from October 04, 2018.

The top line performance of NITES for the year 2018-19 includes gross income of Rs.285.65 lakhs as against Rs.272.95 lakhs in the previous year. The Company reported a loss after tax of Rs.257.94 lakhs as against Rs.123.25 lakhs in the previous year. The Company operates into BFSI (banking, financial services & insurance) segment – mainly into Banking and insurance industry services.

The top line performance of ACMIIL for the year 2018-19 includes gross income of Rs.3524.14 lakhs as against the Rs.4021.88 lakhs in previous year. The company has reported profit after tax of Rs.143.96 lakhs as against loss after tax of Rs.103.74 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 2019 as shown in Table below is of the Company, its wholly-owned subsidiary (NITES).****Summarized Consolidated financials**

(Rs. in lakhs)

Segment Revenue			Segment Results Profit/(Loss) after depreciation and interest		
	2018-19	2017-18		2018-19	2017-18
ITeS	1327.35	260.05	ITeS	(50.03)	35.47
Investments Activities	148.15	353.82	Investments Activities	(83.45)	121.49
Advisory and Consultancy	1058.63	18.00	Advisory and Consultancy	929.19	(32.83)
Stock Broking and allied services	1767.38	3,842.95	Stock Broking and allied services	(41.29)	218.38
Unallocable	271.29	247.33	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	2018-19	2017-18
Revenues from Operations	1053.71	625.38
Other Income	38.34	26.30
Total Revenue	1092.05	651.69
Total Expenditure	729.56	709.21
Profit or (loss) Before Tax	362.49	(57.52)
Profit or (loss) After Tax	305.52	(59.45)

\* 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 increased from Rs.572.82 lakhs to Rs.878.34 lakhs. The Bank term loans borrowing stood at Rs 3461.03 Lakhs as at March 31, 2019 from Rs.3755.37 Lakhs at March 31, 2018.

### **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 small unorganised advisors as well as large national and multinational level advisory firms, employees' attrition, incorrect project assessments etc.

The performance of its Wholly Owned Subsidiary – Nucleus IT Enabled Services Ltd. which is engaged into ITeS Services would depend on the growth of BFSI industry. The WOS operates in BFSI vertical (mainly banking and 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. New products such as debt collection services are being introduced by the company and will stabilize over the next few quarters.

The outlook of the Associate Company, ACMIL 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 company 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 impact the performance of 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, 2019, 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 with 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. Further, company is in conformity with Regulation 17(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 2019 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 2018-19		No. of Directorships in other companies	List of Directorship held in other Listed Companies and Category of Directorship	Relationship with other Directors	No. of Committee positions held in Other companies		Attendance at the AGM held on 29/09/2018
		Held	Attended				Member	Chairman	
Mr. Asit C. Mehta, Chairman DIN: 00169048	Promoter and Non-Executive	4	4	1	None	Spouse of Mrs. Deena A. Mehta	1	NIL	No
Mrs. Deena A. Mehta, Director DIN: 00168992	Promoter and Non-Executive	4	4	4	None	Spouse of Mr. Asit C. Mehta	2	NIL	Yes
Mr. Kirit H. Vora, Director DIN: 00168907	Non-Executive	4	4	1	None	-	NIL	NIL	Yes
Mr. Vijay Ladha, Director DIN: 00168663	Independent	4	3	NIL	None	-	NIL	NIL	No
Dr. Radha Krishna Murthy, Director DIN: 00221583	Independent	4	4	NIL	None	-	NIL	NIL	No
Mr. Pundarik Sanyal Director, DIN: 01773295	Independent	4	4	2	1. Ashapura Minechem Limited- Independent Director 2. Orient Abrasives Limited- Independent Director	-	1	1	No

## 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. ACM Commodity Services Pvt. Ltd. 5. Asit C. Mehta Comdex Services, DMCC – Dubai	1. Asit C. Mehta Investment Intermediates Limited 2. Reliance Asset Reconstruction Company Ltd 3. Reliance Commercial Finance Limited 4. Gandhar Oil Refinery (India) Limited 5. NMIMS Business School Alumni Association 6. Edgytal Digital Marketing Pvt. Ltd 7. Asit C. Mehta Comdex Services, DMCC – Dubai	1. Asit C. Mehta Investment Intermediates Limited 2. Securities Industry Association of India 3. Asit C Mehta Forex Private Limited 4. Balmukund Investment Company Private Limited 5. ACM Commodity Services Pvt. Ltd. 6. Tipstop Software Pvt. Ltd. 7. Edgytal Digital Marketing Pvt. Ltd 8. Asit C. Mehta Comdex Services, DMCC – Dubai	1. Fourell Appliances Private Limited	Nil	3. Ashapura Minechem Limited 4. Orient Abrasives Limited 5. Kanchansobha Finance Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Nomination & Remuneration Committee	Stakeholders Relationship Committee	1. Audit Committee 2. Stakeholders Relationship Committee	Audit Committee	1. Audit Committee 2. Nomination & Remuneration Committee	Nomination & Remuneration Committee

## C. Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence as specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

## D. Meetings of the Board

- Four 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:

May 29, 2018, August 6, 2018, November 14, 2018 and February 07, 2019

The necessary quorum was present for all the meetings.

2. The information as mentioned in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board and Board Committees to the extent it is applicable and relevant for its consideration. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of discussions during the meetings.
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. Modified opinion(s) 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.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 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, 2019, the committee consists of 3 (three) members. All the members of the Audit Committee possess financial/accounting expertise.

As on March 31, 2019, 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 H. Vora	Member	Non-Executive
3.	Dr. Radha Krishna Murthy	Member	Independent & Non-Executive

**3. MEETINGS OF THE AUDIT COMMITTEE**

Four Audit Committee Meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

May 29, 2018, August 6, 2018, November 14, 2018 and February 07, 2019.

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:

Members of the Audit Committee	No. of meetings held	No. of meetings attended
Mr. Vijay Ladha	4	3
Dr. Radha Krishna Murthy	4	4
Mr. Kirit H. Vora	4	4

Besides the above meetings, another meeting of the Audit Committee was held on 29th May, 2019 at which the Audited Accounts for the year ended 31st March, 2019, 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

**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:

Name of the Member	Position	Category
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, 2019 had 1(One) meeting on 29th May, 2018.

The details of the meeting 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	1	1
Mr. Asit C. Mehta	1	1
Mr. Pundarik Sanyal	1	1

The company does not have any employee stock option scheme.

**4. PERFORMANCE EVALUATION**

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 Members 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.

**5. 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)

**6. 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, 2019:

Sr. No.	Name of the Director	Category	Sitting Fees
1.	Mr. Asit C. Mehta	Non-Executive Director	Rs. 36,000/-
2.	Mrs. Deena A. Mehta	Non-Executive Director	Rs. 36,000/-
3.	Mr. Kirit H. Vora	Non-Executive Director	Rs. 54,000/-
4.	Mr. Vijay Ladha	Independent Director	Rs. 40,500/-
5.	Dr. Radha Krishna Murthy	Independent Director	Rs. 54,000/-
6.	Mr. Pundarik Sanyal	Independent Director	Rs. 36,000/-

- ii. Details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

Sr. No.	Name if the Director	Number of Equity Shares
1.	Mr. Asit C. Mehta	2,291,638
2.	Mrs. Deena A. Mehta	900,358
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.

2(Two) meetings of the Stakeholders' Relationship Committee was held during the year 2018-19.

May 23, 2018 and November 11, 2018.

The members of the committee are given below:

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

#### Compliance Officer

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

#### Details of Shareholders' complaints received, resolved and pending :

Details of investor complaints received and redressed during the year 2018-19 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
NIL	2	2	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
2017-18	September 29, 2018	11:00 a m	Nil	Nucleus House, Saki- Vihar Road, Andheri (East), Mumbai: 400072
2016-17	August 31, 2017	11:00 a m	Nil	
2015-16	September 22, 2016	3.00 p m	2	

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

Financial Year	Date	Time	Number of special Resolutions passed	Venue
None				

##### 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
<b>September 29, 2018</b>	Nil
<b>August 31, 2017</b>	Nil
<b>September 22, 2016</b>	1. To Purchase Office Premises from Asit C. Mehta Investment Intermediates Limited (ACMIIL), 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.

##### 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 2018-19.

##### 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) Regulations, 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 the Financial Year 2018-19, the Related Party Transactions (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.

**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) Regulations, 2015. The details regarding evoting facility are being given with the notice of the Meeting.

**D. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three financial years**

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 exchange 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, 2019. 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**

The Company is not required to submit Compliance Certificate on Corporate Governance for the year ended March 31, 2019, since exempted under Regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**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. Non-mandatory requirements**

Adoption of non-mandatory requirements of the SEBI LODR Regulations, 2015 is being reviewed by the Board from time-to time.

- L. A certificate from a Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.**

The certificate of Company Secretary in practice is annexed herewith as a part of the report.

- M. Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.**

Not Applicable

- N. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part.**

Details relating to fees paid to the statutory auditors are given in Note 31 to the standalone financial statements.

- O. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2019 is given in the Directors' Report.

- P. Insider Trading Code**

The Company has adopted Revised Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations"). This Code is displayed on the Company's website: [www.acmfsl.com](http://www.acmfsl.com).

The Code is applicable to promoters, member of promoter group, all Directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company.

- Q. 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\*.

*\* During the year under review, Asit C. Mehta Investment Intermediates Limited (ACMIL) and Asit C. Mehta Comdex Services DMCC has ceased to be a subsidiary of the Company with effect from October 04, 2018.*

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)

- R. 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 quarter/annual results are also displayed on the Company's website [www.acmfsl.com](http://www.acmfsl.com) soon after their declaration.

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

<b>Date</b>	:	27th September, 2019
<b>Time</b>	:	11.00 a.m.
<b>Venue</b>	:	Nucleus House, Saki- Vihar Road, Andheri (East), Mumbai: 400072

**2. E-voting period** : From September 24, 2019 at 9.00 a.m.  
To September 26, 2019 at 5.00 p.m.

**3. Cut-off date for E-voting** : September 20, 2019

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

**5. Date of Book Closure** : Friday, 20th september, 2019 to  
Friday, 27th september, 2019 (both days inclusive)

**6. Dividend** : No dividend is recommended for the Financial Year 2018-2019.

**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 2019-20

**10. ISIN for Equity Shares** : INE041B01014 (NSDL and CSDL)

**11. Address for Correspondence** : Asit C. Mehta Financial Services Limited  
Nucleus House, Saki-Vihar Road,  
Andheri (East), Mumbai: 400072 (Maharashtra)  
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)

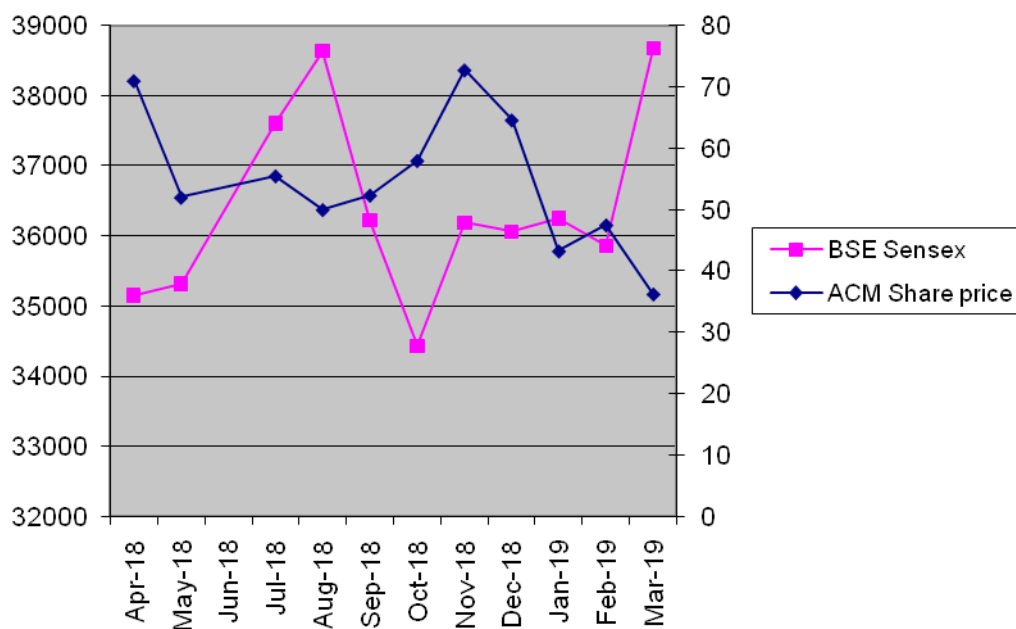
**12. Registrar and Transfer Agents** : Link Intime India Private Limited  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083 (Maharashtra).  
Phone no:022- 4918 6270 Fax no.:022-4918 6060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**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 2018-19 on BSE:

Month	High (Rs)	Low (Rs)	Total Number of Equity Shares Traded
April 2018	73.00	52.00	4,986
May 2018	68.55	49.90	352
July 2018	58.00	49.50	19,870
August 2018	54.00	47.50	6,681
September 2018	55.05	49.90	1,598
October 2018	64.05	52.00	5,517
November 2018	72.75	60.25	2,086
December 2018	72.00	64.60	186
January 2019	61.40	43.25	1,643
February 2019	47.50	45.40	56
March 2019	45.15	36.25	943

**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, 2019.**

No. of Equity Shares	No. of Shareholders	% Percentage	No. of Shares	% Percentage
1- 500	782	82.23	117,851	2.38
501-1000	91	9.57	73,787	1.49
1001-2000	27	2.84	36,502	0.74
2001-3000	5	0.53	12,626	0.25
3001-4000	10	1.05	38,816	0.78
4001-5000	4	0.42	18,450	0.37
5001-10000	12	1.26	97,044	1.96
10001 & above	20	2.10	4,557,484	92.02
	<b>951</b>	<b>100.00</b>	<b>49,52,560</b>	<b>100.00</b>

**b. Categories of equity shareholders as on March 31, 2019:**

Category	Number of Equity shares held	% Percentage of shareholding
Promoter & Promoter Group	3,693,886	74.59
Financial Institutions and Banks	0	0.00
Government Companies	24,576	0.50
NBFCs Registered with RBI	50	0.00
Bodies Corporate	171,136	3.45
Indian public and Others	1,005,135	20.29
Clearing Member	595	0.01
Non-Resident Indians	12,216	0.25
Hindu Undivided Family(HUF)	44,966	0.91
<b>TOTAL</b>	<b>4,952,560</b>	<b>100.00</b>

**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 4,851,281 Equity shares of the Company constituting 97.95% of the Company's equity share capital are dematerialised as on March 31, 2019. A total of 101,279 Equity shares are in physical form as on March 31, 2019.

**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, 2019, 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, 2019.

**29th May, 2019`**

**ASIT C. MEHTA  
CHAIRMAN**

**DIN: 00169048**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Asit C. Mehta Financial Services Limited having CIN L65900MH1984PLC091326** and having registered office at Nucleus House, Saki-Vihar Rd., Andheri (E), Mumbai- 400072 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) ) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Asit Chimanlal Mehta	00169048	01/04/2001
2.	Deena Asit Mehta	00168992	25/03/1991
3.	Kirit Himatlal Vora	00168907	04/03/1992
4.	Vijay Ladha	00168663	29/10/2002
5.	Radha Krishna Murthy	00221583	31/01/2006
6.	Pundarik Sanyal	01773295	31/07/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency 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**

Place : Mumbai  
Date : August 28, 2019

### INDEPENDENT AUDITORS' REPORT

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

#### Report on the Standalone Ind AS Financial Statements

##### Opinion

We have audited the standalone Ind AS financial statements of **ASIT C. MEHTA FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March 2019**, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in Equity and Statement of cash flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

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 Companies Act, 2013 ("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, 2019, and profit (including other comprehensive income), changes in Equity and its cash flows for the year ended on that date.

##### Basis for Opinion

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

##### Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. We, based on our professional judgement, have determined that there are no key audit matters to communicate in our report.

##### Information Other than the standalone Ind AS financial statements and auditors' report thereon ("other information")

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures thereto, Business Responsibility Report, Corporate Governance Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters, if there is any key audit matters determined as per our professional judgement to be communicated, in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 section 143(11) 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 Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in Equity and the Cash Flows Statement 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 Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the records and based on the further information and explanations, the Company's Board consists of non-executive directors and independent directors only. These directors are paid only sitting fees for attending the Board meetings and Committees meetings plus reimbursement for actual travel expenses incurred to attend the said meetings. In our opinion, such payments by the Company to the said directors during the year are in accordance with the provisions of section 197 of the Act.

- (h) 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 financial statements – Refer Note 33 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 material foreseeable losses; and
  - (iii) There were no amounts which were 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. 101676W**

**(Kiran C. Shah), Partner**  
**Membership No.: 032187**

**Mumbai**  
**Dated: 29th May, 2019**

**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;</p> <p>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>Discrepancy noticed was not material and has been properly dealt with.</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 were 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>

(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;			Yes, the Company is generally regular in depositing the undisputed statutory dues as applicable to it, excepting unpaid statutory dues on last date of the financial year payable to local municipal authorities Rs. 27,03,812/-, which remained unpaid for a period of more than six months from the date it became payable.	
(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.);			Disputed dues not deposited, as per details here-under:	
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	Customs, Excise & Service tax Appellate Tribunal, Mumbai
The Income tax Act, 1961	Tax demand	19,910/-	A.Y. 2010-11	Rectification u/s 154 pending with Assessing Officer
The Income tax Act, 1961	Tax demand	5,89,874/-	A.Y. 2016-17	Commissioner of Income-tax (Appeals)
(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, lender wise details to be provided.);			No default.  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;			During the year, no moneys were raised by way of initial public offer & term loans.	
(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.	
(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 standalone 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, 2019**

**(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, 2019** 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 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, 2019**, 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, 2019**

**(Kiran C. Shah), Partner**  
**Membership No. 032187**

**BALANCE SHEET AS AT MARCH 31,2019**

(₹ in '000)

Particulars	Note No.	As on March 31, 2019	As on March 31, 2018
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3A	2,735.61	2,842.89
(b) Investment Property	3B	614,231.87	627,629.66
(c) Other Intangible assets	3C	-	237.02
(d) Financial Assets			
(i) Investments	4	157,185.67	156,811.00
(ii) Loans	5	1,136.97	1,131.84
(e) Non-Current Tax Assets	6	5,598.34	6,460.98
(f) Deferred Tax Assets (net)	7	-	4,311.63
(g) Other non-current assets	8	1,793.03	1,894.52
<b>Total Non Current Assets</b>		<b>782,681.47</b>	<b>801,319.53</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	9	50,425.16	4,299.98
(ii) Cash and cash equivalents	10	2,228.48	548.87
(iii) Bank balance other than (ii) above	11	8,769.52	11,347.69
(iv) Loans	12	80.00	11,280.95
(v) Others Financial Assets	13	1,169.09	2,111.08
(b) Other current assets	14	1,990.24	690.91
<b>Total Current Assets</b>		<b>64,662.49</b>	<b>30,279.48</b>
<b>Total Assets</b>		<b>847,343.96</b>	<b>831,599.01</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	15	48,335.75	48,335.75
(b) Other Equity	16	376,177.61	345,640.58
<b>Total Equity</b>		<b>424,513.36</b>	<b>393,976.33</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	346,102.51	375,537.12
(b) Provisions	18	11.29	-
(c) Deferred Tax Liabilities (net)	19	362.41	-
(d) Other non-current liabilities	20	418.67	78.00
<b>Total Non- Current Liabilities</b>		<b>346,894.88</b>	<b>375,615.12</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	37,256.74	36,367.24
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	22	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		5,565.69	4,094.96
(iii) Other financial liabilities	23	30,903.40	19,649.23
(b) Other current liabilities	24	2,011.15	1,896.11
(c) Provisions	25	0.18	-
(d) Current Tax Liability (net)	26	198.55	-
<b>Total Current Liabilities</b>		<b>75,935.71</b>	<b>62,007.55</b>
<b>Total Liabilities</b>		<b>422,830.59</b>	<b>437,622.67</b>
<b>Total Equity and Liabilities</b>		<b>847,343.96</b>	<b>831,599.01</b>

Notes (Including Significant Accounting Policies) 1 to 41  
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

For and on behalf of the Board of Directors

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

(₹ in '000)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
Revenue from operations	27	105,370.88	62,538.48
Other Income	28	3,833.94	2,630.46
<b>Total income</b>		<b>109,204.82</b>	<b>65,168.94</b>
<b>EXPENSES</b>			
Employee benefits expense	29	1,131.66	1,669.72
Finance costs	30	40,125.64	42,499.22
Depreciation and amortisation expense	3A to 3C	13,708.80	13,697.66
Other expenses	31	17,990.06	13,054.73
<b>Total expenses</b>		<b>72,956.17</b>	<b>70,921.32</b>
<b>Profit / (Loss) before tax</b>		<b>36,248.64</b>	<b>(5,752.38)</b>
Tax expense:			
- Current tax		3,068.58	-
- Deferred tax (Assets) / Liability		4,669.29	198.01
- MAT Credit Entitlement		(2,112.64)	-
- Prior year tax adjustment Dr / (Cr)		71.20	(5.78)
<b>Total Tax Expense</b>		<b>5,696.42</b>	<b>192.23</b>
<b>Profit / (Loss) for the year</b>		<b>30,552.22</b>	<b>(5,944.62)</b>
Other comprehensive income			
i) Items that will not be reclassified to profit or loss:			
a) Re-measurement gains / (losses) on defined benefit plans		(0.71)	10.08
b) Effect of measuring Equity Instruments on Fair Value		(9.73)	(18.96)
c) Income Tax on (a) and (b)		(4.75)	2.29
<b>Other comprehensive income for the year, net of tax</b>		<b>(15.19)</b>	<b>(6.59)</b>
<b>Total comprehensive income for the year</b>		<b>30,567.41</b>	<b>(5,951.21)</b>
<b>Earnings per equity share:</b>			
Basic and Diluted (in ₹)		6.32	(1.23)

Notes (Including Significant Accounting Policies) 1 to 41  
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 & Sevantalil & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

For and on behalf of the Board of Directors

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

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, 2019**
**A. Equity Share Capital (refer note 15)**

(₹ in '000)

Particulars	Amount
<b>Balance as at April 1, 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>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2019</b>	<b>48,335.75</b>

**B. Other Equity**

(₹ in '000)

Particulars	Reserves and Surplus			Equity Instruments through OCI	Total
	Capital Reserve	Securities Premium	Retained Earnings		
<b>Balance as at April 1, 2017</b>	<b>759.50</b>	<b>41,043.96</b>	<b>310,010.35</b>	-	<b>351,813.81</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>Balance as at March 31, 2018</b>	<b>759.50</b>	<b>41,043.96</b>	<b>303,851.20</b>	<b>(14.08)</b>	<b>345,640.58</b>
Profit/(Loss) for the year	-	-	30,552.22	-	30,552.22
Other Comprehensive Income for the year - Remeasurement gain/(loss) on Defined Benefit Plans (Net of tax)	-	-	(0.52)	-	(0.52)
Effect of measuring equity instruments at fair value	-	-	-	(14.66)	(14.66)
<b>Balances as at March 31, 2019</b>	<b>759.50</b>	<b>41,043.96</b>	<b>334,402.90</b>	<b>(28.74)</b>	<b>376,177.61</b>

Notes (Including Significant Accounting Policies)

1 to 41

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

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(₹ in '000)

	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	36,248.64	(5,752.38)
	<b>Add / (Less):- Adjustments for :</b>		
	Depreciation and Amortisation	13,708.80	13,697.66
	Interest Income	(1,627.50)	(2,507.60)
	Dividend Income	(3.28)	(3.30)
	Provision for Bad and doubtful debts	619.21	1,986.00
	Withdrawal from provision for Bad Debts	(1,986.00)	-
	Amortisation of financial guarantee	(59.33)	(26.00)
	Provision for Gratuity written back	-	(93.56)
	Foreign Exchange Difference (net)	1,221.87	
	Fixed Assets written off	429.43	
	Adjustments for the year	-	(211.94)
	Finance Costs	40,125.64	42,499.22
	<b>Operating Profit Before Changes in Working Capital</b>	<b>88,677.48</b>	<b>49,588.10</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase) / Decrease in Trade Receivables	(46,125.18)	(1,802.53)
	(Increase) / Decrease in Other Financial Assets	941.99	(740.43)
	(Increase) / Decrease in Short term Loans and Advances	(80.00)	-
	(Increase) / Decrease in Other Current Assets	(1,299.33)	748.22
	(Increase) / Decrease in Long term Loan/Other Non Current Asset	96.36	(1,940.53)
	Increase / (Decrease) in Trade Payables, Other Current Liabilities and short-term Provisions	1,784.50	1,709.33
	Increase / (Decrease) in Other Financial Liability	11,254.17	(5,916.75)
	Increase / (Decrease) in Other Non current liability/Long term provision	351.96	130.00
	<b>Cash Generated from Operations</b>	<b>55,601.95</b>	<b>41,775.41</b>
	Less: Direct taxes refund/(paid) [net]	40.15	10.43
	<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>55,642.10</b>	<b>41,785.83</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest Received	1,627.50	2,507.60
	Maturity / Placement of Bank Fixed deposits - ( Net)	2,578.17	(138.61)
	Dividend Received	3.28	3.30
	Inter Corporate loan received back	11,280.95	3,117.17
	Inter Corporate loan Given	-	(11,280.95)
	Purchase of Property, Plant and Equipment	(396.13)	(379.16)
	(Purchase) / Sale of Investment	(385.51)	(832.89)
	<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>14,708.26</b>	<b>(7,003.53)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Finance Costs	(40,125.64)	(42,499.22)
	Long term borrowing (Net of Repayment)	(29,434.60)	41,624.84
	Repayments of Inter-corporate Deposit and Security deposit	889.50	(35,940.50)
	<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>(68,670.75)</b>	<b>(36,814.87)</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>1,679.61</b>	<b>(2,032.57)</b>
	Cash on hand	22.38	48.20
	Balances with scheduled banks on current accounts	526.49	2,533.25
	<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>548.87</b>	<b>2,581.44</b>
	Cash on hand	88.82	22.38
	Balances with scheduled banks on current accounts	2,139.67	526.49
	<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>2,228.48</b>	<b>548.87</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,679.61</b>	<b>(2,032.57)</b>

- 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, 2019

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'.

**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.

**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 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.

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 relate 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.

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 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,

## **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.

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.

## **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 as per the applicable provisions and 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 Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract. The exchange difference arising on settlement/ translation are recognized in the revenue accounts.

**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 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 (FVTOCI):**

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 (FVTPL):**

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.

**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.

- **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.

**2.17 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:

**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 32.

**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.

**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.

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

Effective April 1, 2018 the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces AS 18 Revenue and Ind AS 11 Construction contracts. Upon initially applying this standard there is no impact which is required to be recognized at the date of initial application (i.e. April 1, 2018).

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

**2.19 Ind AS issued but not effective**

On March 30, 2019, Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has issued the following new and amendments to Ind AS and are effective from accounting periods beginning on or after April 1, 2019. The Group intends to adopt these standards, if applicable, from April 1, 2019.

**Ind AS 116 – Leases**

"Ind AS 116 on "Leases" will replace the existing leases standard, Ind AS 17 on "Leases". The new standard sets out the principles of recognition, measurement, presentation and disclosure for both parties to a lease contract, i.e. the lessee and the lessor. The core principle of the new standard is that an entity should recognise most leases on its balance sheet. The new standard introduces a single lessee accounting model with limited exemptions and requires the lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. Further, the standard also requires the enhanced disclosures. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 on "Accounting Policies, Changes in Accounting Estimates and Errors"
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognised at the date of initial application. If a lessee elects to apply modified approach, the lessee shall not restate comparative information. Instead, the lessee shall recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application. On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application, that is on April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted."

**Ind AS 12 - Income Taxes**

- Appendix C, Uncertainty over Income Tax. Treatment This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix:



- (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty;
- (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and
- (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Group does not expect any significant impact of the amendment on its financial statements.

**Consequences of Dividend**

The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

**Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset are ready for its intended use or sale, that borrowing becomes part of the funds an entity borrows generally when calculating the capitalisation rate on general borrowings.

## NOTES TO FINANCIAL STATEMENTS :

**Note 3A:****Property, Plant and Equipment:**

(₹ in '000)

Particulars	Furniture and fixtures	Office and Other Equipments	Electric Fittings	Computers	Air Conditioners	Solar System	Projector	Total
<b>(I) Gross Carrying Value</b>								
Balance as at March 31, 2017	1,121.70	481.15	29.39	2.71	17.59	1,803.80	7.43	3,463.77
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>
Additions during the year	360.00		-		36.13			396.13
Deductions/Adjustments during the year	(197.16)	(70.14)	(29.39)	(2.71)	(2.40)			(301.80)
Other Adjustments during the year								-
<b>Balance as at March 31, 2019</b>	<b>1,284.54</b>	<b>411.01</b>	<b>-</b>	<b>-</b>	<b>51.32</b>	<b>2,182.96</b>	<b>7.43</b>	<b>3,937.27</b>
<b>(II) Accumulated Depreciation</b>								
Balance as at March 1, 2017	358.27	68.37	-	2.10	-	7.51	-	436.25
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>
Depreciation expense for the year	31.04	81.05	-	-	0.25	138.27	-	250.60
Deductions/Adjustments during the year	(7.83)	(39.05)		(2.10)				(48.98)
<b>Balance as at March 31, 2019</b>	<b>739.42</b>	<b>200.77</b>	<b>-</b>	<b>-</b>	<b>0.25</b>	<b>261.23</b>	<b>-</b>	<b>1,201.67</b>
<b>Net Carrying Value (I-II)</b>								<b>-</b>
Balance as at March 31, 2018	405.49	322.38	29.39	0.60	17.59	2,060.00	7.43	2,842.89
Balance as at March 31, 2019	545.12	210.25	-	-	51.08	1,921.73	7.43	2,735.61

**Notes to Financial Statements :**
**Note 3B:**
**Investment Property:**

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
Balance as at March 31, 2017	6,53,735.00
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at March 31, 2018	6,53,735.00
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at March 31, 2019	6,53,735.00
<b>(II) Accumulated Depreciation</b>	
Balance as at March 31, 2017	13,051.65
Depreciation expense for the year	13,053.69
Deductions/Adjustments during the year	-
Balance as at March 31, 2018	26,105.34
Depreciation expense for the year	13,397.79
Deductions/Adjustments during the year	-
Balance as at March 31, 2019	39,503.13
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2018	6,27,629.66
Balance as at March 31, 2019	6,14,231.87

Notes :

The Company has pledged above Investment property as security against the borrowings.

**Disclosure pursuant to Ind AS 40 "Investment Property"**
**a. Amount recognised in the Statement of Profit and Loss from investment property:**

(₹ in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental income derived from investment property	46,190.88	60,738.48
Direct operating expenses arising from investment property that generated rental income	(21,971.54)	(22,411.20)
Profit from investment properties before depreciation	24,219.34	38,327.28
Depreciation	(13,397.79)	(13,053.69)
<b>Profit from Investment property</b>	<b>10,821.54</b>	<b>25,273.59</b>

**Notes to Financial Statements :**
**b. Fair Value of Investment Property**

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Fair Value of Investment Property	9,95,952	9,54,454
<b>Total</b>	<b>9,95,952</b>	<b>9,54,454</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 identifiable portions of investment 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 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>
Additions during the year	
Deductions/Adjustments during the year	(396.50)
Other Adjustments during the year	
<b>Balance as at March 31, 2019</b>	<b>-</b>
<b>(II) Accumulated Depreciation</b>	
<b>Balance as at March 31, 2017</b>	<b>79.30</b>
Depreciation expense for the year	80.18
Deductions/Adjustments during the year	
<b>Balance as at March 31, 2018</b>	<b>159.48</b>
Depreciation expense for the year	60.41
Deductions/Adjustments during the year	(219.89)
<b>Balance as at March 31, 2019</b>	<b>-</b>
<b>Net Carrying Value (I-II)</b>	<b>-</b>
<b>Balance as at March 31, 2018</b>	<b>237.02</b>
<b>Balance as at March 31, 2019</b>	<b>-</b>

**Notes to Financial Statements :**
**Note 4:**
**Investments : Non-current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<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 2018 - 30,00,000) equity shares of Rs 10 each fully paid in Nucleus IT Enabled Services Ltd	30,000.00	30,000.00
<b>In Equity Shares of controlled Subsidiary company</b>		
<b>Unquoted</b>		
55,61,111 (As on 31st March 2018 - 55,61,111) equity shares of Rs 10 each fully paid in Asit C Mehta Investment Intermediates Ltd (refer note 4.1)	126,627.07	126,127.07
<b>Investments measured at Amortised cost</b>		
<b>In Preference shares of Others</b>		
<b>Unquoted</b>		
2,50,000 (As on 31st March 2018 - 2,50,000) Redeemable Preference Shares of Rs. 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	558.60	512.48
<b>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI)</b>		
<b>In Equity Shares of Others</b>		
<b>Quoted</b>		
Nil (As on 31st March 2018 - 1,500) Equity shares of Gujarat State Fertilizers & Chemicals Ltd	-	171.45
<b>Total</b>	<b>157,185.67</b>	<b>156,811.00</b>

4.1 Financial guarantee issued by the Company in respect of Bank Overdraft facility availed by Asit C Mehta Investment Intermediates Limited. Accordingly, the financial guarantee issued by the Company are initially measured at Fair value of ₹ 630 (₹ in '000)/ {as on 31.03.2018 ₹130 (₹ in '000)/-} and accounted as contribution and recognised as cost of Investment.

Aggregate amount of unquoted investments	157,185.67	156,639.55
Aggregate amount of quoted investments	-	171.45

**Note 5:**
**Loans : Non-current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unsecured, considered good		
Security Deposits	1,136.97	1,131.84
<b>Total</b>	<b>1,136.97</b>	<b>1,131.84</b>

**Notes to Financial Statements :**
**Note 6:**
**Current Tax Assets (net) : Non-current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Unsecured, considered good</b>		
Advance Income Tax	3,485.70	6,460.98
MAT Credit Entilement	2,112.64	-
<b>Total</b>	<b>5,598.34</b>	<b>6,460.98</b>

**Note 7:**
**Deferred Tax Assets / (Liability) Net:**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Deferred Tax Assets</b>	-	<b>4,311.63</b>
<b>Total</b>	-	<b>4,311.63</b>

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

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<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)	1,793.03	1,894.52
<b>Total</b>	<b>1,793.03</b>	<b>1,894.52</b>

**Note 9:**
**Trade Receivables**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unsecured, considered good	50,425.16	4,299.98
Unsecured, Considered doubtful	-	1,986.00
Less:provision for doubtful debts	-	(1,986.00)
<b>Total</b>	<b>50,425.16</b>	<b>4,299.98</b>

**Notes to Financial Statements :**
**Note 10:**
**Cash and Cash Equivalents**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Balances with Banks		
On Current Accounts	2,139.67	526.49
Cash on hand	88.82	22.38
<b>Total</b>	<b>2,228.48</b>	<b>548.87</b>

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

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Fixed Deposits with Bank (Having maturity of more than 12 Months)	676.52	3,254.69
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note 33)	8,093.00	8,093.00
<b>Total</b>	<b>8,769.52</b>	<b>11,347.69</b>

**Note 12:**
**Loans : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Unsecured considered good</b>		
Inter corporate Deposit		
Nucleus IT Enabled Services Limited	-	11,280.95
Others (staff loan to KMP)	80.00	-
<b>Total</b>	<b>80.00</b>	<b>11,280.95</b>

**Note 13:**
**Other Financial Assets : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Unsecured considered good</b>		
Interest receivable	151.70	1,210.12
Receivable on TDS accounts from NBFC	1,017.39	900.96
<b>Total</b>	<b>1,169.09</b>	<b>2,111.08</b>

**Notes to Financial Statements :****Note 14:****Other Current assets**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Balances with Government Authorities		
Excise Duty / Service Tax / GST	524.05	210.75
<b>Others</b>		
Prepaid Expenses	693.86	378.66
Prepaid amount on Preference Shares	101.49	101.49
Deposit for Service Tax Appeal	339.92	-
Other advances	330.92	-
<b>Total</b>	<b>1,990.24</b>	<b>690.91</b>

**Note 15:****Equity Share Capital**

(₹ in '000)

Particulars	As on March 31, 2019	As on March 31, 2018
10,000,000 Equity shares at ₹ 10/- par value	100,000.00	100,000.00
	<b>100,000.00</b>	<b>100,000.00</b>
<b>Issued, Subscribed and Paid up :</b>		
4,952,560 Equity shares at ₹ 10/- par value	49,525.60	49,525.60
Less : 1,18,985 Treasury Shares (Nucleus Stock Trust)*	(1,189.85)	(1,189.85)
	<b>48,335.75</b>	<b>48,335.75</b>
<b>Total</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, 2019 and March 31, 2018.

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 Court of Bombay 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.



**Notes to Financial Statements :**
**a. Reconciliation of the number of shares outstanding**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
Equity Shares Outstanding at the beginning of the year	4,833,575	48,335.75	4,833,575	48,335.75
Changes during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<b>4,833,575</b>	<b>48,335.75</b>	<b>4,833,575</b>	<b>48,335.75</b>

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

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	2,291,638	46.27%	2,291,638	46.27%
Mrs. Deena A. Mehta	900,358	18.18%	900,358	18.18%
Asit C Mehta Commodity Services Ltd	400,470	8.09%	400,470	8.09%

**c. Details of forfeited shares :**

Class of Shares	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount originally paid up (₹ in '000)	No. of shares	Amount originally paid up (₹ in '000)
Equity shares with voting rights	147,700	738.50	147,700	738.50
Equity shares with voting rights*	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 on March 31, 2019	As on March 31, 2018
<b>Capital Reserve</b>		
As per last Balance Sheet	759.50	759.50
	<b>759.50</b>	<b>759.50</b>
<b>Securities Premium</b>		
As per last Balance Sheet	41,043.96	41,043.96
	<b>41,043.96</b>	<b>41,043.96</b>
<b>Retained Earnings</b>		
Balance as at the beginning of the year	303,851.20	310,010.35
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	30,552.22	(5,944.62)
"Other Comprehensive Income for the year - Remeasurement gain/ (loss) on Defined Benefit Plans (Net of tax)"	(0.52)	7.49
Add: Adjustments for the year	-	(222.02)
Loss on Equity Instruments through OCI Transferred	(28.74)	-
	<b>334,374.15</b>	<b>303,851.20</b>

**Notes to Financial Statements :**

Description	As on March 31, 2019	As on March 31, 2018
<b>Equity Instruments through Other Comprehensive Income</b>		
Balance as at the beginning of the year	(14.08)	-
Add/(Less) : Movement during the year	(14.66)	(14.08)
Less : Transferred to Retained Earning	28.74	
	-	<b>(14.08)</b>
	<b>376,177.61</b>	<b>345,640.58</b>
<b>Total</b>	<b>376,177.61</b>	<b>345,640.58</b>

**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 on March 31, 2019	As on March 31, 2018
<b>Secured loans</b>		
<b>A. From Bank</b>		
a. Term Loan from ICICI Bank (refer note (i) below)	17,592.82	19,726.85
<b>B. From NBFCs</b>		
a. Term Loan from NBFC (refer note (i) below)	25,021.86	25,907.62
b. Term Loan from NBFC (refer note (ii) below)	64,084.17	74,344.47
c. Term Loan from NBFC (refer note (iii) below)	44,769.64	48,293.86
d. Term Loan from NBFC (refer note (iv) below)	194,634.04	207,264.32
<b>Total</b>	<b>346,102.51</b>	<b>375,537.12</b>

**Notes to Financial Statements :**
**Nature of Security and Term of Repayment of Long-term Borrowing :**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
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)	19,666.12	21,554.88
Rate of Interest : [31.03.2019 10.60%, 31.03.2018 10.50%]		
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)	74,743.79	84,694.63
Rate of Interest : [31.03.2019 11.15%, 31.03.2018 9.75%]		
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)	48,649.28	52,471.08
Rate of Interest : [31.03.2019 11.15%, 31.03.2018 9.75%]		
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 upto 15.02.2019 and thereafter payable at monthly installments) (tenure 156 months)	231,840.57	234,416.70
Rate of Interest : [31.03.2019 10.10% , 31.03.2018 9.40%]		
<b>Total</b>	<b>374,899.76</b>	<b>393,137.28</b>
<b>Less: Current Maturities of Long-term debt (Refer Note 23)</b>	<b>28,797.25</b>	<b>17,600.16</b>
<b>Total</b>	<b>346,102.51</b>	<b>375,537.12</b>

**Note 18:**
**Provisions : Non-current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	11.29	-
<b>Total</b>	<b>11.29</b>	<b>-</b>

**Note 19:**
**Deferred Tax Liabilities (net):**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Deferred Tax Liabilities (net)	362.41	-
<b>Total</b>	<b>362.41</b>	<b>-</b>

**Notes to Financial Statements :**
**Note 20: Other Financial Liabilities: Non-Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Financial Guarantee Contract (On behalf of Subsidiary)	418.67	78.00
<b>Total</b>	<b>418.67</b>	<b>78.00</b>

**Note 21:**
**Borrowings : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Security Deposits	34,756.74	36,367.24
Inter Corporate Deposit	2,500.00	-
<b>Total</b>	<b>37,256.74</b>	<b>36,367.24</b>

**Note 22:**
**Trade Payables**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
(a) total outstanding dues of micro enterprises and small enterprises; and	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	5,565.69	4,094.96
<b>Total</b>	<b>5,565.69</b>	<b>4,094.96</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 on March 31, 2019	As on March 31, 2018
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

**Note 23:**
**Other Financial Liabilities: Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Current Maturities of Long Term borrowings	28,797.25	17,600.16
Interest payable on borrowings	2,106.15	2,049.07
<b>Total</b>	<b>30,903.40</b>	<b>19,649.23</b>

**Notes to Financial Statements :**
**Note 24:**
**Other Current Liabilities**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Income Received in advance	433.23	433.23
Financial Guarantee Contract (On behalf of Subsidiary)	126.00	26.00
<u>Others</u>		
Statutory dues	1,451.94	1,436.90
<b>Total</b>	<b>2,011.15</b>	<b>1,896.11</b>

**Note 25:**
**Provisions : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Provision for employee benefits :</b>		
Provision for Gratuity	0.18	-
<b>Total</b>	<b>0.18</b>	<b>-</b>

**Note 26:**
**Tax Liabilities (Net) : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Current Tax provision (Net of Advance Tax)	198.55	-
<b>Total</b>	<b>198.55</b>	<b>-</b>

**Note 27:**
**Revenue from Operations**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Sale of services</b>		
Rental Income	46,190.88	60,738.48
Advisory charges	5,825.00	1,800.00
Advisory charges - Export	53,355.00	-
<b>Total</b>	<b>105,370.88</b>	<b>62,538.48</b>

**Notes to Financial Statements :**
**Note 28:**
**Other Income**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest Income</b>		
on Bank Deposits	649.65	802.92
on Income Tax Refund	272.75	113.78
from wholly owned Subsidiary	591.52	1,196.03
on Inter Corporate Deposit	-	285.30
Interest on Preference Shares measured at amortised cost	46.12	42.32
Interest on Electricity Security Deposit	67.45	67.27
Dividend	3.28	3.30
<b>Other Non- Operating Income</b>		
Provision for Gratuity written back	-	93.56
Withdrawal from provision for Bad Debts	1,986.00	-
Miscellaneous Income	157.83	-
Amortisation of financial guarantee	59.33	26.00
<b>Total</b>	<b>3,833.94</b>	<b>2,630.46</b>

**Note 29:**
**Employee Benefit Expenses**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary and allowance	1,069.55	1,596.93
Contribution to PF and Other funds	-	54.20
Staff Welfare	30.52	18.58
Leave Encashment	20.13	-
Gratuity Expenses	11.47	-
<b>Total</b>	<b>1,131.66</b>	<b>1,669.72</b>

**Note 30:**
**Finance Cost**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Interest Expense		
- Cash Credit	14,728.77	20,295.50
- Term Loans / CC	25,025.58	20,439.12
- Others / Inter Corporate	59.80	1,376.37
- Interest on Preference Shares measured at amortised cost	101.49	33.83
b) Other borrowing cost		
Annual Maintenance Charges for loan account to NBFC	210.00	354.40
<b>Total</b>	<b>40,125.64</b>	<b>42,499.22</b>

**Notes to Financial Statements :**
**Note 31:**
**Other Expenses**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
Rates and Taxes	4,104.48	4,119.39
Foreign Exchange Difference (net)	1,221.87	-
Electricity charges	642.09	522.12
Repairs and Maintenance – Building	2,116.79	386.02
Repairs and Maintenance – Other	1,124.16	1,086.81
Travelling & Conveyance	590.66	109.47
Legal and Professional fees	2,313.05	2,216.19
Auditors' remuneration –		
Audit fees	450.00	210.00
Tax Audit	25.00	25.00
Other Services	150.00	100.00
Provision for Bad and doubtful debts	-	1,986.00
Bad debts	2,605.21	-
Fixed Assets written off	429.43	-
Directors sitting fees	285.00	355.00
Insurance	94.96	87.04
Brokerage / Commission	96.49	-
Miscellaneous Expenses	1,740.87	1,851.69
<b>Total</b>	<b>17,990.06</b>	<b>13,054.73</b>

**Note 32:**
**Disclosure pursuant to Ind-AS 12 on “Income Taxes”**
**A. Components of Tax Expenses/(Income)**

(₹ in '000)

<b>a. Profit or Loss Section</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Current Tax	3,068.58	-
Deferred Tax	4,669.29	198.01
Tax Adjustment of Earlier Years	71.20	(5.78)
MAT Credit Entitlement	(2,112.64)	-
<b>Income Tax Expense reported in the statement of Profit or Loss</b>	<b>5,696.42</b>	<b>192.23</b>

(₹ in '000)

<b>b. Other Comprehensive Income Section</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Remeasurements of Defined Benefit Plans	0.19	(2.60)
Effect of measuring Equity Instruments on Fair Value	(4.93)	4.88
<b>Income Tax Expense reported in Other Comprehensive Income</b>	<b>(4.75)</b>	<b>2.29</b>

**Notes to Financial Statements :**
**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, 2019	For the year ended March 31, 2018
Profit (loss) before Tax	36,248.64	(5,752.38)
Corporate Tax rate as per Income Tax Act, 1961 (excluding cess)	25.00%	25.00%
Tax rate u/s 115JB (excluding cess)	18.50%	18.50%
Tax on Accounting Profit	3,068.58	-
MAT Credit Entitlement	(2,112.64)	
<b>*Tax effect of :</b>		
Income Exempt from Tax	-	-
Income considered separately	-	-
Expenses Allowed separately	-	-
<b>Current Tax Provision (A)</b>	955.94	-
Deferred Tax Liability	4,672.27	200.61
Deferred Tax Asset	(2.98)	(2.60)
<b>Deferred Tax (B)</b>	4,669.29	198.01
<b>Adjustments in respect of current income tax of previous years (C)</b>	71.20	(5.78)
<b>Tax expenses recognised during the year (A+B+C)</b>	5,696.43	192.23
<b>Effective tax rate</b>	15.71%	0.00%

**C. Deferred Tax**

2018-19

**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	271.56	81.41	-	352.96
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)	-	(2.98)	-	(2.98)
Net loss/(gain) on remeasurements of defined benefit plans	(4.88)	12.43	4.88	12.43
<b>Total</b>	<b>(4,311.63)</b>	<b>4,669.29</b>	<b>4.88</b>	<b>362.41</b>



**Notes to Financial Statements :**
**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	
<b>Total</b>	<b>(4,507.35)</b>	<b>198.01</b>	<b>(2.29)</b>	<b>(4,311.63)</b>

**Note 33:**
**Contingent Liabilities and Commitments**
**A. Contingent Liabilities**

(₹ in '000)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>a. 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. Income-tax matters under appeal (AY 16-17)	589.87	-
iii. Service Tax matters under appeal	10,197.58	10,197.58
iv. FERA matter	16,186.00	16,186.00
<b>Total</b>	<b>26,993.36</b>	<b>26,403.49</b>
<b>b. Guarantee given (refer footnote)</b>	<b>16,186.00</b>	<b>16,186.00</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 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's appeal against this order was dismissed by commissioner (Appeals). Against this order the Company has filed appeal before CESTAT Mumbai. 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>B. Commitments</b>	NIL	NIL
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**Notes to Financial Statements :**
**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) Related parties where control exists:**

Subsidiary	Principal place of business	Proportionate ownership interest	
		As at March 31, 2019	As at March 31, 2018
Nucleus IT Enabled Services Ltd	India	100%	100%
Asit C Mehta Investment Intermediates Ltd	India	49.17%	49.17%

**(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

**(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

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### B. Transactions With Related Parties

(₹ in '000)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	<b>Rental Income</b>		
i.	Nucleus IT Enabled Services Limited	11,216.00	8,796.00
ii.	Asit C. Mehta Investment Intermmediates Limited	20,160.00	16,560.00
iii.	Asit C Mehta Forex Private Limited	60.00	60.00
iv.	Edgytal Digital Marketing Private Limited	720.00	720.00
v.	Asit C Mehta Commodity Services Limited	120.00	120.00
vi.	Lasoon Live- Aakash	60.00	60.00
	<b>Interest Received on Loan</b>		
i.	Nucleus IT Enabled Services Limited	591.52	1,196.03
	<b>Guarantee charges recovered</b>		
i.	Asit C. Mehta Investment Intermmediates Limited	59.33	26.00
	<b>Advertising Expenses Paid</b>		
i.	Edgytal Digital Marketing Private Limited	-	330.00
	<b>Remuneration/Sitting Fees to KMP</b>		
i.	Ms. Purvi Ambani	-	1,339.74
ii.	Ms. Mamta Gautam	1,101.15	311.39
iii.	Mr. Asit C Mehta	40.00	50.00
iv.	Mrs. Deena A. Mehta	40.00	50.00
v.	Mr. Kirit Vora	60.00	75.00
vi.	Mr. Vijay Ladha	55.00	75.00
vii.	Mr. Radha Krishna Murthy	50.00	75.00
viii.	Mr. Pundarik Sanyal	40.00	30.00
	<b>Lease Deposit Received/(refunded) towards Premises</b>		
i.	Nucleus IT Enabled Services Limited	-	(10,000.00)
ii.	Asit C. Mehta Investment Intermmediates Limited	1,000.00	-
iii.	Asit C. Mehta Investment Intermmediates Limited	(1,000.00)	-
	<b>Loan Given</b>		
i.	Nucleus IT Enabled Services Limited	43,330.41	66,160.00
ii.	Mamta Gautam	100.00	-
	<b>Loan Received back</b>		
i.	Nucleus IT Enabled Services Limited	55,687.78	54,879.05
ii.	Mamta Gautam	20.00	-
	<b>Financial Guarantee for Overdraft Facility</b>		
i.	Asit C. Mehta Investment Intermmediates Limited	500.00	130.00

(₹ in '000)

	Compensation of Key Management Personnel of the Company	For the year ended March 31, 2019	For the year ended March 31, 2018
	Short-term employee benefits	1,101.15	1,651.13
	<b>Total</b>	<b>1,101.15</b>	<b>1,651.13</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Notes to Financial Statements :

#### C. Outstanding Balances

(₹ in '000)

	Particulars	As at March 31, 2019	As at March 31, 2018
	<b>Closing balance Receivable</b>		
i.	Nucleus IT Enabled Services Ltd	-	12,357.38
ii.	Mamta Gautam	80.00	-
	<b>Property Deposit Payable</b>		
i.	Nucleus IT Enabled Services Ltd	2,000.00	2,000.00
ii.	Asit C. Mehta Investment Intermediates Limited	26,251.74	26,251.74
iii.	Asit C Mehta Commodity Services Limited	1,500.00	1,500.00
	<b>Financial Guarantee Contracts Commission</b>		
i.	Asit C. Mehta Investment Intermediates Limited	544.67	104.00
	<b>Investments</b>		
i.	Nucleus IT Enabled Services Ltd	30,000.00	30,000.00
ii.	Asit C. Mehta Investment Intermediates Limited	126,627.07	126,127.07

#### 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 35:

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

	Nature of the transaction	Purpose	As at March 31, 2019	As at March 31, 2018
<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 Intermediates Limited	Business Purpose	63,000.00	13,000.00
<b>3</b>	<b>Investments</b>			
	For details refer note no. 4 to the accounts			

#### Note 36:

#### Earnings Per Share (EPS)

(₹ in '000)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in '000)	30,552.22	(5,944.62)
	Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	4,833,575	4,833,575
	Face Value per Equity Share	10.00	10.00
	Basic and Diluted Earnings per Share	6.32	(1.23)

**Notes to Financial Statements :**
**Note 37:**
**Lease**
**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)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
i	Rental Income recognised in statement of profit and loss account	46,190.88	60,738.48
	<b>Total</b>	<b>46,190.88</b>	<b>60,738.48</b>

(₹ in '000)

Sr. No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
i	Lease rental Income	-	-
	Total of lease rent Income for a period :		
	Not later than one year	50,466.00	46,190.88
	later than one year but not later than five years	36,576.00	-
	later than five years	2,182.00	-
	<b>Total</b>	<b>89,224.00</b>	<b>46,190.88</b>

**Note 38:**
**Employee Benefits**

The Company has classified various employee benefits as under:

**A. Defined Contribution Plans**

**Provident Fund**  
The Provident Fund Scheme 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, 2019	Year ended March 31, 2018
Contribution to Provident Fund	-	54.20
<b>Total</b>	<b>-</b>	<b>54.20</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	
		31-Mar-19	31-Mar-18
i.	Mortality	IALM(2006-08)Ult.	
ii.	Discount Rate (per annum)	7.64%	7.69%
iii.	Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iv.	Attrition Rate	0.8% for all ages	0.8% for all ages
v.	Retirement Age	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 doesnot have any longevity risk.

(₹ in '000)

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity Unfunded	Gratuity Unfunded
i.	<b>Changes in Present value of Obligation</b>		
	Present value of defined benefit obligation at the beginning of the year	-	93.56
	Current Service Cost	-	-
	Interest Cost	10.76	6.92
	Actuarial (Gains)/Loss on obligation		
	Actuarial (gains)/ losses arising from changes in financial assumption	-	-
	Actuarial (gains)/ losses arising from changes in experience adjustment	0.71	(100.49)
	Past Service cost - Vested Benefits		
	Benefits Paid		

**Notes to Financial Statements :**

(₹ in '000)

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity Unfunded	Gratuity Unfunded
	Present value of defined benefit obligation at the end of the year (PVO)	11.47	-
<b>ii.</b>	<b>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.</b>	<b>Amount to be recognised in the Balance Sheet and Statement of Profit and Loss Account</b>		
	PVO at end of period	11.47	-
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	-	-
	Net Assets/(Liability) recognised in the Balance Sheet	11.47	-
<b>iv.</b>	<b>Net Benefit (Asset) /Liability</b>		
	Defined benefit obligation at beginning of period	-	93.56
	Fair value of plan assets at beginning of period	-	-
	Net Benefit Asset /(Liability)	-	93.56
<b>v.</b>	<b>Net Interest Cost for Current Period</b>		
	Interest Cost	10.76	6.92
	(Interest Income)	-	-
	Net Interest Cost for Current Period	10.76	6.92
<b>vi.</b>	<b>Expenses recognised in the Statement of Profit and Loss</b>		
	Current Service Cost	-	-
	Interest cost on benefit obligation (net)	10.76	6.92
	Total Expenses recognised in the Statement of Profit and Loss	10.76	6.92
<b>vii.</b>	<b>Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>		
	Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	Actuarial (gains)/ losses arising from changes in financial assumption	-	-
	Actuarial (gains)/ losses arising from changes in experience adjustment	0.71	(100.49)
	Return on plan asset excluding net interest		
	Recognised in Other Comprehensive Income	0.71	(100.49)
<b>viii.</b>	<b>Movements in the Liability recognised in Balance Sheet</b>		
	Opening Net Liability	-	93.56

**Notes to Financial Statements :**

(₹ in '000)

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity Unfunded	Gratuity Unfunded
	Adjustment to opening balance	-	-
	Expenses as above	10.76	6.92
	Contribution paid	-	-
	Other Comprehensive Income (OCI)	0.71	(100.49)
	Closing Net Liability	11.47	-
<b>ix.</b>	<b>Cash flow Projection: From the Fund</b>		
	Within the next 12 months (next annual reporting period)	0.36	-
	2nd following year	0.54	0.18
	3rd following year	0.73	0.38
	4th following year	0.92	0.60
	5th following year	1.11	0.83
	Sum of Years 6 To 10	8.71	2.48
<b>x.</b>	<b>Sensitivity Analysis</b>		
	"Projected Benefit Obligation on Current Assumptions"		
	Delta Effect of +1% Change in Rate of Discounting	-	-
	Delta Effect of -1% Change in Rate of Discounting	-	-
	Delta Effect of +1% Change in Rate of Salary Increase	-	-
	Delta Effect of -1% Change in Rate of Salary Increase	-	-
<b>xi.</b>	<b>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.

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 39:**
**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 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 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.



**Notes to Financial Statements :**
**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.

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

(₹ in '000)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>Measured at Amortised Cost</b>								
Investment in Preference Shares	558.60	-	-	-	512.48	-	-	-
Loans	1,216.97	-	-	-	12,412.79	-	-	-
Trade Receivable	50,425.16	-	-	-	4,299.98	-	-	-
Cash and Bank Balance	2,228.48	-	-	-	548.87	-	-	-
Other Bank Balance	8,769.52	-	-	-	11,347.69	-	-	-
Others	1,169.09	-	-	-	2,111.08	-	-	-
	64,367.82	-	-	-	31,232.89	-	-	-
<b>Measured at FVTOCI</b>								
Investment in equity instruments	-	-	-	-	171.45	171.45	-	-
<b>Total Financial Assets</b>	<b>64,367.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,404.34</b>	<b>171.45</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>								
<b>Measured at Amortised Cost</b>								
Borrowing	383,359.25	-	-	-	411,904.36	-	-	-
Trade Payables	5,565.69	-	-	-	4,094.96	-	-	-
Others	30,903.40	-	-	-	19,649.23	-	-	-
<b>Total Financial Liabilities</b>	<b>419,828.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>435,648.55</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to Financial Statements :**
**Note 40:**
**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	As at
	March 31, 2019	March 31, 2018
Total Debt	383,359	411,904
Total Equity	424,513	393,976
Debt Equity Ratio	0.90	1.05

**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 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.

**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.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

**Notes to Financial Statements :**

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, 2019		As at March 31, 2018	
	Amount in Foreign currency (in '000)	Amount (₹ in '000)	Amount in Foreign currency (in '000)	Amount (₹ in '000)
Receivable USD	720.00	50,076.00	-	-

**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.

Particulars	As at March 31, 2019		As at March 31, 2018	
	5% increase	5% decrease	5% increase	5% decrease
<b>Impact on Profit and Loss</b>				
USD	(2,503.80)	2,503.80	-	-

**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, 2019 and March 31, 2018 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	As at March 31, 2019		As at March 31, 2018	
	Less than 1 Year/ On Demand	1-5 years	More than 5 ears	Total
<b>As at March 31, 2019</b>				
Non-derivative financial liabilities				
Borrowings	37,256.74	-	346,102.51	383,359.25
Trade Payables	5,565.69	-	-	5,565.69
Other financial liabilities	30,903.40	-	-	30,903.40
	<b>73,725.83</b>	<b>-</b>	<b>346,102.51</b>	<b>419,828.34</b>
<b>As at March 31, 2018</b>				
Non-derivative financial liabilities				
Borrowings	36,367.24	-	375,537.12	411,904.36
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>375,537.12</b>	<b>435,648.55</b>

**Notes to Financial Statements :**
**Note 41:**
**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’.

**I. Operating Segment**

(₹ in ‘000)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A.</b>	<b>Segment Revenue (Sales / Services to external customers):</b>		
	a. Investment Activities	46,190.88	60,738.48
	b. Advisory and Consultancy services	5,825.00	1,800.00
	c. Advisory Export	53,355.00	-
	<b>Total Revenue</b>	<b>105,370.88</b>	<b>62,538.48</b>
<b>B.</b>	<b>Segment Results :</b>		
	Profit/ (Loss) before Tax and Interest		
	a. Investment Activities	23,031.06	37,503.00
	b. Advisory and Consultancy services	49,509.29	(3,283.13)
	<b>Total</b>	<b>72,540.35</b>	<b>34,219.87</b>
	Add: Unallocable Income	3,833.94	2,630.46
	Less: Interest Expense	40,125.64	42,602.72
	<b>Profit/(Loss) before Tax</b>	<b>36,248.64</b>	<b>(5,752.38)</b>

(₹ in ‘000)

	Particulars	As at year ended March 31, 2019	As at year ended March 31, 2018
<b>Other Information :</b>			
<b>Segment Liabilities</b>			
	a. Investment Activities	784,005.51	826,172.86
	b. Advisory and Consultancy services	50,368.40	2,580.93
	c. Others – Unallocated	12,970.05	2,846.22
	<b>Total</b>	<b>847,343.96</b>	<b>831,600.01</b>
<b>Capital Expenditure during the year</b>			
	a. Investment Activities	421,168.63	437,622.67
	b. Advisory and Consultancy services	11.47	-
	c. Others – Unallocated	1,650.49	-
	<b>Total</b>	<b>422,830.59</b>	<b>437,622.67</b>

**Notes to Financial Statements :**

(₹ in '000)

	Particulars	As at year ended March 31, 2019	As at year ended March 31, 2018
<b>Capital Expenditure during the year</b>			
	a. Investment Activities		
	– Tangible Fixed Assets	396.13	379.16
	– Intangible Fixed Assets	-	-
	b. Advisory and Consultancy services	-	-
	c. Others – Unallocated	-	-
	<b>Total</b>	<b>396.13</b>	<b>379.16</b>
<b>Depreciation during the year</b>			
	a. Investment Activities	13,397.79	13,053.69
	b. Advisory and Consultancy services	250.60	643.97
	c. Others – Unallocated	-	-
	<b>Total</b>	<b>13,648.39</b>	<b>13,697.66</b>

- i. The Company has Geographical Segment in terms of Ind AS 108 on “Operating Segments”.  
 ii. Segment wise and Customer wise Revenue comprising 10% or more of respective segment of Revenue:

(₹ in '000)

Revenue from	As at March 31, 2019		As at March 31, 2018	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	31,376.00	2.00	49,531.84	4.00
Advisory Services	53,355.00	1.00	1,800.00	1.00
<b>Total</b>	<b>84,731.00</b>	<b>3.00</b>	<b>51,331.84</b>	<b>5.00</b>

**II Geographical information**

(₹ in '000)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Revenue from Customers by location	Carrying Amount of Segment As- sets by Location	Addition to Fixed Assets	Revenue from Customers by location	Carrying Amount of Segment As- sets by Location	Addition to Fixed Assets
Domestic	52,015.88	797,267.96	396.13	62,538.48	831,599.01	379.16
Overseas	53,355.00	50,076.00	-	-	-	-
<b>Total</b>	<b>105,370.88</b>	<b>847,343.96</b>	<b>396.13</b>	<b>62,538.48</b>	<b>831,599.01</b>	<b>379.16</b>

Notes (Including Significant Accounting Policies)

1 to 41

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

For and on behalf of the Board of Directors

Asit C Mehta  
 Chairman  
 DIN: 00169048

Kirit Vora  
 Director  
 DIN: 00168907

(Kiran C. Shah) Partner  
 Membership No. 032187  
 Place : Mumbai  
 Date : May 29, 2019

Mamta Gautam  
 Chief Financial Officer

Meha Sikarwar  
 Company Secretary

# **Consolidated Financial Statements (2018-19)**

**INDEPENDENT AUDITORS' REPORT**

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

**Report on the Audit of the Consolidated Ind AS Financial Statements**

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of ASIT C. MEHTA FINANCIAL SERVICES LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "Group"), which comprise the Balance Sheet as at 31st March 2019, 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 (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, the consolidated profit (including other comprehensive income), consolidated changes in Equity and its consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. We, based on our professional judgement, have determined that there are no key audit matters to communicate in our report.

**Information Other than the consolidated Ind AS financial statements and auditors' report thereon ("other information")**

The Company's management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures thereto, Business Responsibility Report, Corporate Governance Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system with reference to consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, that is Holding Company, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit of the financial statements carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section entitled "Other Matters" to this audit report.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.



We communicate with those charged with governance of the Holding Company included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters, if there is any key audit matters determined as per our professional judgement to be communicated, in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the consolidated Ind AS financial statements/financial information of Asit C. Mehta Investment Intermediates Limited ("ACMIIL") a controlled subsidiary and of Asit C. Mehta Comdex Services, DMCC ("Comdex"), the overseas wholly owned subsidiary of ACMIIL, whose standalone financial statements/financial information, which were unaudited, were consolidated with standalone Ind AS financial statements of ACMII; and the standalone Ind AS financial statements of Nucleus IT Enabled Services Limited ("NITES"), the wholly owned subsidiary ("WOS") (together "entities"), both these financial statements/financial information, considered in the consolidated Ind AS financial statements, which reflect total assets of Rs. 12,83,807.81 thousands as at 31st March 2019 (before elimination of intra-group transactions), total revenues of Rs. 3,81,303.29 thousands (before elimination of intra-group transactions) and net cash flows amounting to Rs. (135811.96) 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 unmodified 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 standalone 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 information certified by the Management.

#### **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 that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in Equity and the Consolidated Cash Flows Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the aforesaid consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2019 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 incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A, which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, and as per the records, the Holding Company's Board consists of non-executive directors and independent directors only. These directors are paid only sitting fees for attending the Board meetings and Committees meetings plus reimbursement for actual travel expenses incurred to attend the said meetings. In our opinion, such payments by the Holding Company to the said directors during the year are in accordance with the provisions of section 197 of the Act. With regard to remuneration paid to directors by its subsidiary companies incorporated in India, as per the audit reports of the respective subsidiary Companies' auditors, are in accordance with the provisions of section 197 of the Act.

- (h) 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 32 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 material foreseeable losses; and
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

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

**Mumbai**  
**Dated: 29th May, 2019**

**(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 Group”), as at and for the year ended 31st March, 2019, 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 overseas wholly subsidiary of ACMILL) 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, which are incorporated in India, 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 the respective 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 Holding Company’s and its subsidiary companies incorporated in India on the 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 internal financial controls system over financial reporting of the Holding Company and its subsidiary companies incorporated in India.

#### **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 incorporated in India, nature of activities, size of operation and organizational structure of the Holding Company and its subsidiary companies incorporated in India and exercise of controls through personal supervision by the management, the Holding Company and its subsidiary companies incorporated in India, 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, 2019, 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. 12,83,807.81thousands as at 31st March, 2019 (before elimination of intra-group transactions), total revenues of Rs. 3,81,303.29thousands (before elimination of intra-group transactions) and net cash flows amounting to Rs.(135811.96) 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, 2019**

**(Kiran C. Shah), Partner**  
**Membership No. 032187**

**CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2019**

(₹ in '000)

Particulars	Note No.	As on March 31, 2019	As on March 31, 2018
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3A	23,158.09	23,617.14
(b) Capital work-in-progress (Intangible)	3B	16,479.65	9,601.60
(c) Investment Property	3C	614,231.87	627,629.66
(d) Goodwill		40,012.01	40,012.01
(e) Other Intangible assets	3D	7,880.34	7,775.31
(f) Financial Assets			
(i) Investments	4	116,397.86	113,104.39
(ii) Loans	5	12,407.42	19,887.29
(iii) Others	6	150.00	50.00
(g) Non-Current Tax Assets	7	19,639.87	17,938.06
(h) Other non-current assets	8	6,978.98	8,313.01
<b>Total Non Current Assets</b>		<b>857,336.09</b>	<b>867,928.47</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	9	104,326.69	18,251.77
(ii) Cash and cash equivalents	10	21,433.33	155,565.66
(iii) Bank balance other than (ii) above	11	394,645.58	281,153.09
(iv) Loans	12	116,786.49	90,858.03
(v) Others Financial Assets	13	469,104.13	342,115.67
(b) Other current assets	14	6,428.72	10,324.72
<b>Total Current Assets</b>		<b>1,112,724.94</b>	<b>898,268.95</b>
<b>Total Assets</b>		<b>1,970,061.03</b>	<b>1,766,197.42</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	15	48,335.75	48,335.75
(b) Other Equity	16	283,917.87	266,592.80
<b>Equity attributable to owners</b>		<b>332,253.62</b>	<b>314,928.55</b>
(c) Non Controlling Interest		41,825.77	32,125.35
<b>Total Equity</b>		<b>374,079.39</b>	<b>347,053.90</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	347,411.72	377,835.94
(ii) Other Financial Liabilities			
(b) Provisions	18	111.07	73.65
(c) Deferred tax liabilities (net)	19	16,661.15	12,083.01
(d) Other non-current liabilities	20	118.75	237.50
<b>Total Non- Current Liabilities</b>		<b>364,302.69</b>	<b>390,230.09</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	551,054.05	357,531.00
(ii) Trade payables	22		
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		369,987.61	367,619.20
(iii) Other financial liabilities	23	244,609.00	237,800.71
(b) Other current liabilities	24	63,946.73	64,209.35
(c) Provisions	25	1,882.99	1,753.15
(d) Current tax liability	26	198.55	-
<b>Total Current Liabilities</b>		<b>1,231,678.93</b>	<b>1,028,913.41</b>
<b>Total Liabilities</b>		<b>1,595,981.62</b>	<b>1,419,143.50</b>
<b>Total Equity and Liabilities</b>		<b>1,970,061.01</b>	<b>1,766,197.40</b>

Notes (Including Significant Accounting Policies) 1 to 41

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 & Sevantalil & J. K. Shah & Co.  
Chartered Accountants  
Firm Reg. No: 101676W

For and on behalf of the Board of Directors

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

Asit C Mehta  
Chairman  
DIN: 00169048

Mamta Gautam  
Chief Financial Officer

Kirit Vora  
Director  
DIN: 00168907

Meha Sikarwar  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(₹ in '000)

Particulars	Note No.	As on March 31, 2019	As on March 31, 2018
<b>INCOME</b>			
Revenue from operations	27	430,149.98	447,482.83
Other Income	28	27,129.06	24,733.09
<b>Total income</b>		<b>457,279.04</b>	<b>472,215.92</b>
<b>EXPENSES</b>			
Employee benefits expense	29	128,396.05	119,959.28
Finance costs	30	69,670.70	64,787.30
Depreciation and amortisation expense	3A to 3C	23,587.16	22,714.40
Other expenses	31	202,725.58	270,558.11
<b>Total expenses</b>		<b>424,379.49</b>	<b>478,019.09</b>
<b>Profit / (Loss) before tax</b>		<b>32,899.55</b>	<b>(5,803.17)</b>
Tax expense:			
- Current tax		4,825.77	-
- Deferred tax (Assets) / Liability		4,053.92	(1,235.28)
- MAT Credit Entitlement		(3,869.83)	-
- Prior year tax adjustment (Cr) / Dr		80.77	4.54
<b>Total Tax Expense</b>		<b>5,090.63</b>	<b>(1,239.81)</b>
<b>Profit / (Loss) for the year</b>		<b>27,808.91</b>	<b>(7,042.98)</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		526.29	999.91
b) Effect of measuring Equity Instruments on Fair Value		764.86	91,365.41
c) Income Tax on (a) and (b)		(328.24)	(23,784.07)
<b>Other comprehensive income for the year, net of tax</b>		<b>962.91</b>	<b>68,581.25</b>
<b>Total comprehensive income for the year (net of tax)</b>		<b>28,771.83</b>	<b>61,538.27</b>
<b>Net Profit attributable to:</b>			
a) Owners of the Company		16,092.36	(13,368.90)
b) Non Controlling Interest		11,716.56	6,325.92
<b>Other Comprehensive Income attributable to:</b>			
a) Owners of the Company		1,232.71	67,719.45
b) Non Controlling Interest		(269.79)	861.80
<b>Total Comprehensive Income attributable to:</b>			
a) Owners of the Company		17,325.07	54,784.93
b) Non Controlling Interest		11,446.76	6,753.34
<b>Earnings per equity share of face value of Rs.10 each</b>			
Basic		5.75	(1.46)
Diluted		5.75	(1.46)

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

1 to 41

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

For and on behalf of the Board of Directors

 Asit C Mehta  
 Chairman  
 DIN: 00169048

 Kirit Vora  
 Director  
 DIN: 00168907

 (Kiran C. Shah) Partner  
 Membership No. 032187  
 Place : Mumbai  
 Date : May 29, 2019

 Mamta Gautam  
 Chief Financial Officer

 Meha Sikarwar  
 Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(₹ in '000)

	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) before Tax	<b>32,899.55</b>	<b>(5,803.17)</b>
	<b>Add / (Less):- Adjustments for :</b>		
	Depreciation and Amortisation	23,587.16	22,714.40
	Interest Income	(24,685.90)	(24,424.12)
	Dividend Income	(118.34)	(3.60)
	Provision for Bad & doubtful debts / Bad debts	1,900.04	1,986.00
	Withdrawal from provision for bad debts	(1,986.00)	-
	Provision for Gratuity written back	-	(93.56)
	Finance Costs	69,670.70	64,787.30
	Loss on Sale of Fixed Assets	-	3.66
	Fixed Assets Written Off	429.43	688.98
	Foreign Exchange Gain / loss	1,752.10	364.45
	<b>Operating Profit Before Changes in Working Capital</b>	<b>1,03,448.72</b>	<b>60,220.33</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase) / Decrease in Trade Receivables	(86,074.93)	14,191.02
	(Increase) / Decrease in Other Financial Assets	(1,26,988.46)	(71,424.99)
	(Increase) / Decrease in Other Current Assets	3,896.01	(2,550.18)
	(Increase) / Decrease in Financial and Other Non Current Asset	8,713.90	259.02
	(Increase) / Decrease in Financial Assets Loan	4,794.22	(13,412.95)
	Increase / (Decrease) in Trade Payables, Other Current Liabilities and short-term Provisions	2,434.18	16,802.45
	Increase / (Decrease) in Security deposit	4,996.56	(3,949.66)
	Increase / (Decrease) in Other Financial Liability	6,808.28	1,44,555.63
	Increase / (Decrease) in Long term provision	37.42	(179.73)
	<b>Cash Generated from Operations</b>	<b>(77,934.09)</b>	<b>1,44,510.95</b>
	Less: Direct taxes refund/(paid) [net]	(7,392.94)	(2,039.53)
	<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>(85,327.04)</b>	<b>1,42,471.41</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest Received	24,685.90	24,424.12
	Placement of Bank Fixed deposits (net)	(1,13,492.48)	(20,690.48)
	Dividend Received	118.34	3.60
	Inter Corporate loan Given (net)	(30,722.69)	21,130.47
	Purchase of Property, Plant and Equipment	(15,251.54)	(14,179.76)
	Sale of Fixed Assets	-	172.80
	Purchase of Investment (net)	(4,058.04)	(17,810.41)
	<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>(1,38,720.51)</b>	<b>(6,949.65)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
	Finance Costs	(69,670.70)	(64,787.30)
	(Repayment) / Proceed on Term Loan	(28,125.40)	40,371.97
	(Repayment) / Borrowing of Short Term Loan	1,87,711.31	4,800.97

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

	Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
	<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>	<b>89,915.20</b>	<b>(19,614.35)</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(1,34,132.34)</b>	<b>1,15,907.41</b>
	Cash on hand	268.35	488.98
	Balances with scheduled banks on current accounts	1,55,297.31	39,169.28
	<b>OPENING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>1,55,565.66</b>	<b>39,658.25</b>
	Cash on hand	413.26	268.35
	Balances with scheduled banks on current accounts	21,020.06	1,55,297.31
	<b>CLOSING BALANCE OF CASH and CASH EQUIVALENTS</b>	<b>21,433.33</b>	<b>1,55,565.66</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,34,132.34)</b>	<b>1,15,907.41</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, 2019

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 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**
**A. Equity Share Capital**

(₹ in '000)

Particulars	Amount
<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>
Add: Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2019</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 March 31, 2017</b>	<b>759.50</b>	<b>41,043.96</b>	<b>164,716.50</b>	<b>5,295.73</b>	<b>211,815.69</b>	<b>24,267.16</b>	<b>236,082.84</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)	-	(222.02)
<b>Balances as at March 31, 2018</b>	<b>759.50</b>	<b>41,692.54</b>	<b>151,125.58</b>	<b>73,015.18</b>	<b>266,592.80</b>	<b>32,125.35</b>	<b>298,718.15</b>
Addition during the year					-		-
Profit for the period			16,092.36		16,092.36	11,716.56	27,808.91
Other Comprehensive Income for the year				1,232.71	1,232.71	(269.79)	962.91
Adjustment for the year					-	(1,746.33)	(1,746.33)
<b>Balances as at March 31, 2019</b>	<b>759.50</b>	<b>41,692.54</b>	<b>167,217.94</b>	<b>74,247.89</b>	<b>283,917.87</b>	<b>41,825.78</b>	<b>325,743.65</b>

Notes (Including Significant Accounting Policies) 1 to 41  
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

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

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

#### 1 Corporate Information

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

The Holding 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 Holding Company are listed on BSE Limited.

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

The Wholly owned Subsidiary is mainly engaged in information technology enabled services and provides services to clients both domestic and abroad. The Wholly owned Subsidiary is also engaged in Debt Recovery Business.

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 Portfolio 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.

#### 2 Significant Accounting Policies

##### a. Statement of Compliance

The Consolidated Financial Statements 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.

##### b. Basis of Preparation and Presentation

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

- The Financial Statement of the Holding 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 Holding 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 2018 to 31st March, 2019 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 Holding Company's separate financial statements.

The subsidiary companies considered in the Consolidated Financial Statements are:

Name of the Company	Country of Incorporation	% of voting power held as at 31.3.2019
1. Nucleus IT Enabled Services Ltd (NITES)	India	100
2. Asit C Mehta Investment Intermediates Ltd (ACMIL)	India	49.17
3. Asit C Mehta Comdex Services, DMCC (100% Wholly Owned Subsidiary of Asit C Mehta Investment Intermediates 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. 31.3.2019.

## **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.

## **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:

Assets	As per Valuer's report	As per Part C of Schedule II
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 Equipments	14 Years	5 years
Electrical Installation	14 Years	10 years
Vehicles	10 years	8 years

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.

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 Group 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.

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 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,

**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.

**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.

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 as per the applicable provisions and 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 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 Group 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 Group 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 (FVTOCI):**

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 (FVTPL):**

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 Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at original effective rate of interest.

**Derecognition of financial assets:**

The Group 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group 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 Group 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 the Group 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 Group 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 Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group 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.

**2.18 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 Group'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 Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group'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 Group 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 assess 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 Ind AS issued but not effective**

On March 30, 2019, Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has issued the following new and amendments to Ind AS and are effective from accounting periods beginning on or after April 1, 2019. The Group intends to adopt these standards, if applicable, from April 1, 2019.

**Ind AS 116 – Leases**

"Ind AS 116 on "Leases" will replace the existing leases standard, Ind AS 17 on "Leases". The new standard sets out the principles of recognition, measurement, presentation and disclosure for both parties to a lease contract, i.e. the lessee and the lessor. The core principle of the new standard is that an entity should recognise most leases on its balance sheet. The new standard introduces a single lessee accounting model with limited exemptions and requires the lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. Further, the standard also requires the enhanced disclosures. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 on "Accounting Policies, Changes in Accounting Estimates and Errors"
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognised at the date of initial application. If a lessee elects to apply modified approach, the lessee shall not restate comparative information. Instead, the lessee shall recognise the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application. On completion of evaluation of the effect of adoption of Ind AS 116, the Group is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application,

that is on April 1, 2019. Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Group has evaluated the effect of this on its financial statements and the impact is not material.

**Ind AS 12 - Income Taxes****- Appendix C, Uncertainty over Income Tax Treatment**

This amendment is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the Appendix: (1) the entity needs to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which better predicts of the resolution of the uncertainty; (2) the entity is to assume that the taxation authority will have right to examine and have full knowledge of all related information when making those examinations; and (3) entity has to consider whether it is probable that the taxation authority will accept the tax treatment and accordingly, determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

**- Consequences of Dividend**

The amendments are in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this amendment."

**Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset are ready for its intended use or sale, that borrowing becomes part of the funds an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

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

Effective April 1, 2018 the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces AS 18 Revenue and Ind AS 11 Construction contracts. Upon initially applying this standard, there is no impact which is required to be recognized at the date of initial applicaion (i.e. April 1, 2018).

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expect to receive in exchange for those products or services.

**Notes forming part of the Consolidated Financial Statements :**
**Note 3A: Property, Plant and Equipment:**

(₹ in '000)

Particulars	Computers	Electric Fittings	Furni- tures and fixtures	Motor Vehicles	Office and Other Equip- ments	Solar System	Air Con- ditioners	Projector	Total
<b>(I) Gross Carrying Value</b>									
<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)	(486.39)		(82.30)	(1,027.23)				(2,540.42)
<b>Balance as at March 31, 2018</b>	<b>8,947.01</b>	<b>488.45</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>37,783.56</b>
Additions during the year	4,301.23		695.43	2,000.58	1,340.11		36.13		8,373.49
Deductions/Adjustments during the year	(2.71)	(29.39)	(197.16)		(70.14)		(2.40)		(301.80)
<b>Balance as at March 31, 2019</b>	<b>13,245.53</b>	<b>459.05</b>	<b>12,181.10</b>	<b>5,964.53</b>	<b>11,763.33</b>	<b>2,182.96</b>	<b>51.32</b>	<b>7.43</b>	<b>45,855.26</b>
<b>(II) Accumulated Depreciation</b>									-
<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>-</b>	<b>-</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)	-	-	-	(860.18)	-	-	-	(1,752.66)
<b>Balance as at March 31, 2018</b>	<b>2,610.53</b>	<b>382.98</b>	<b>5,874.94</b>	<b>797.90</b>	<b>4,377.11</b>	<b>122.96</b>	<b>-</b>	<b>-</b>	<b>14,166.42</b>
Depreciation expense for the year	3,264.26	4.94	2,357.48	662.41	2,152.13	138.27	0.25		8,579.73
Deductions/Adjustments during the year	(2.10)		(7.83)		(39.05)				(48.98)
<b>Balance as at March 31, 2019</b>	<b>5,872.68</b>	<b>387.92</b>	<b>8,224.59</b>	<b>1,460.32</b>	<b>6,490.18</b>	<b>261.23</b>	<b>0.25</b>	<b>-</b>	<b>22,697.17</b>
Net Carrying Value (I-II)									-
<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>
<b>Balance as at March 31, 2019</b>	<b>7,372.85</b>	<b>71.13</b>	<b>3,956.51</b>	<b>4,504.21</b>	<b>5,273.15</b>	<b>1,921.73</b>	<b>51.08</b>	<b>7.43</b>	<b>23,158.09</b>

**Note 3B: 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.16,479.65 (in'000) [previous year Rs.9,601.60 (in '000)] represents amounts given as advances.

**Note 3C: Investment Property:**

(₹ in '000)

Particulars	Office Premises
<b>(I) Gross Carrying Value</b>	
<b>Balance as at March 31, 2017</b>	<b>653,735.00</b>
Additions during the year	-
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
<b>Balance as at March 31, 2018</b>	<b>653,735.00</b>
Additions during the year	
Deductions/Adjustments during the year	
Other Adjustments during the year	
<b>Balance as at March 31, 2019</b>	<b>653,735.00</b>
<b>(II) Accumulated Depreciation</b>	
<b>Balance as at March 31, 2017</b>	<b>13,051.65</b>

Particulars	Office Premises
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>
Depreciation expense for the year	13,397.79
Deductions/Adjustments during the year	
<b>Balance as at March 31, 2019</b>	<b>39,503.13</b>
Net Carrying Value (I-II)	
<b>Balance as at March 31, 2018</b>	<b>627,629.66</b>
<b>Balance as at March 31, 2019</b>	<b>614,231.87</b>

The Holding 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.

**Notes :**

The Company has pledged above Investment property as security against the borrowings.

**Disclosure pursuant to Ind AS 40 "Investment Property"**
**a. Amount recognised in the Statement of Profit and Loss from investment property:**

(₹ in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rental income derived from investment property	46,190.88	60,738.48
Direct operating expenses arising from investment property that generated rental income	(21,971.54)	(22,411.20)
Profit from investment properties before depreciation	24,219.34	38,327.28
Depreciation	(13,397.79)	(13,053.69)
<b>Profit from Investment property</b>	<b>10,821.54</b>	<b>25,273.59</b>

**b. Fair Value of Investment Property**

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Fair Value of Investment Property	995,952	954,454
<b>Total</b>	<b>995,952</b>	<b>954,454</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 identifiable portions of investment properties are leased out to tenants under cancellable operating lease.

**Note 3D : Other Intangible Assets:**

(₹ in '000)

Particulars	Computer Software
<b>(I) Gross Carrying Value</b>	
Balance as at March 31, 2017	10,144.04
Additions during the year	421.40
Deductions/Adjustments during the year	-
Other Adjustments during the year	-
Balance as at March 31, 2018	10,565.44
Additions during the year	1,891.28
Deductions/Adjustments during the year	(396.50)
Other Adjustments during the year	
Balance as at March 31, 2019	12,060.22
<b>(II) Accumulated Depreciation</b>	
Balance as at March 31, 2017	1,359.19
Depreciation expense for the year	1,430.94
Deductions/Adjustments during the year	-
Balance as at March 31, 2018	2,790.13
Depreciation expense for the year	1,609.64
Deductions/Adjustments during the year	(219.89)
Balance as at March 31, 2019	4,179.88
<b>Net Carrying Value (I-II)</b>	
Balance as at March 31, 2017	8,784.85
Balance as at March 31, 2018	7,775.31
Balance as at March 31, 2019	7,880.34

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 4: Investments : Non-current

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
<b>Investments measured at Fair Value Through Other Comprehensive Income (FVTOCI) In Equity Shares</b>			
<b>Quoted</b>			
	7,000 (As on 31st March 2018 - 7,000 ) Equity shares of Rs.10 each fully paid in Omnitex Industries (India) Limited	74.20	124.95
	694 (As on 31st March 2018 - 694) Equity shares of Re.1 each fully paid in BSE Limited	424.14	524.80
	Nil (As on 31st March 2018 - 1,500) Equity shares In Gujarat State Fertilizers & Chemicals Ltd	-	171.45
	1,58,234 (As on 31st March 2018 -1,56,000) Equity Shares of IRIS Business Services Limited	5,878.39	7,012.20
	Investment in Shares and Securities * ( As per Annexure -A )	4,758.52	4,515.00
	51,200 (As at March 31, 2018 - NIL) Equity shares of Rs. 10 each of sarveshwar Foods Ltd	1,856.00	
	800 (As at March 31, 2018 - NIL) Equity shares in Delta Corp Limited	203.84	-
	4,500 (As at March 31, 2018 - NIL) Equity shares in DCB Bank Limited	921.15	-
	5,000 (As at March 31, 2018 - NIL) Equity shares in Jaypee Infratech	12.25	
<b>Unquoted</b>			
	1,82,500 (As at March 31, 2018 - 1,80,000) Equity shares of Rs. 10 each of Pentation Analytics Private Limited	100,375.00	99,000.00
	2,750 (As on 31st March 2018 - 2,750) Equity shares of Re.1 each fully paid up in Vippy Industries Limited	18.43	18.43
	2,00,000 (As on 31st March 2017 - 2,00,000) shares of Rs. 10 each fully paid up in Asit C. Mehta Commodity Services Ltd.	200.00	200.00
<b>Investments measured at Amortised cost In Preference Shares</b>			
<b>Unquoted</b>			
	7,50,000 (As at March 31, 2018 - 7,50,000) Redeemable Preference Shares of Rs. 10 each fully paid in Omniscience Capital Advisors Private Limited (rate of Dividend 0.01%)	1,675.95	1,537.57
<b>Total</b>		<b>116,397.86</b>	<b>113,104.39</b>
<b>Aggregate amount of unquoted investments</b>		<b>102,269.38</b>	<b>100,755.99</b>
<b>Aggregate amount of quoted investments</b>		<b>14,128.49</b>	<b>12,348.40</b>

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED****Annexure A****(₹ in '000)**

<b>No of Shares &amp; Securities</b>	<b>Name of Shares and Securities</b>	<b>Fair Value as on 31.03.2019 (per script)</b>	<b>Total FV on 31.03.2019</b>
375	Allcargo logistics Limited	115.10	43.16
74	Bajaj Auto Limited	2,911.10	215.42
290	Balmer Lawrie & Company Limited	185.10	53.68
140	Cyient Limited	649.45	90.92
230	D B Corp Limited	186.95	43.00
120	Finolex Industries Limited	489.25	58.71
280	HCL Technology Limited	1,087.45	304.49
65	Hero Moto Corp Limited	2,553.15	165.95
263	Hindustan Zinc Limited	276.85	72.81
556	Infosys Limited	743.85	413.58
458	Jagran Prakashan Limited	125.95	57.69
465	KPIT Technologies Limited	81.65	37.97
500	Reliance ETF Liquid BeES	1,000.00	500.00
75	Larsen & Toubro Infotech Limited	1,702.60	127.70
110	Mphasis Limited	991.10	109.02
124	MPS Limited	476.80	59.12
285	Munjal Showa Limited	167.80	47.82
125	NIIT Technologies Limited	1,325.85	165.73
2,674	PTC India Financial Services Limited	15.90	42.52
298	Rallis India Limited	163.90	48.84
1,585	Rural Electrification Corporation Limited	152.90	242.35
210	Supreme Petrochem Limited	222.45	46.71
135	Tata Sponge iron Limited	760.40	102.65
100	Bharti Infratel Limited	313.40	31.34
240	Aurobindo Pharma Limited	784.25	188.22
635	Coal India Limited	237.20	150.62
800	Exide Industries Limited	218.70	174.96
1,220	NMDC Limited	104.45	127.43
665	Petronet LNG Limited	251.55	167.28
128	Tata Consultancy Services Limited	2,001.65	256.21
350	Tech Mahindra Limited	775.90	271.57
284	Zee Entertainment Enterprises Limited	445.50	126.52
1,370	Power Finance Corporation Limited	123.10	168.65
465	Birlasoft Limited	98.65	45.87
			<b>4,758.52</b>

**Note 5: Loans : Non-current**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
	<b>Unsecured, considered good</b>		
(i)	Security Deposits	1,136.97	1,131.84
(ii)	Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations		
	The National Securities Clearing Corporation Limited	4,400.00	16,900.00
	BSE Ltd.	5,125.00	125.00
	Central Depository Services (India) Ltd	840.00	750.00
(iii)	Other Loans / Deposits		
	Deposits for Premises and Other Deposits	905.45	980.45
	<b>Total</b>	<b>12,407.42</b>	<b>19,887.29</b>

**Note 6: Financial Asset - Others**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Unsecured, considered good</b>		
Margin Money with Bank for Bank Guarantee	50.00	50.00
(100% margin money for BG favouring custom department of EOU bonding dated April 4, 2009 Maturity beyond 12 Month)		
Fixed deposit with bank (maturity beyond 12 Months)	100.00	
<b>Total</b>	<b>150.00</b>	<b>50.00</b>

**Note 7: Non Current Tax Assets (net)**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Unsecured, considered good</b>		
Advance Income Tax	15,770.03	17,938.06
MAT Credit Entitlement	3,869.83	-
<b>Total</b>	<b>19,639.87</b>	<b>17,938.06</b>

**Note 8: Other Non-Current Assets:**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
	<b>Unsecured, considered good</b>		
(i)	Prepaid amount on Preference Shares		
	Prepaid component of 7,50,000 (7,50,000 as on 31 Mar 2018)redeem-able Preference Shares of `10 each of Omniscience Capital Advisors private Limited (redeemable within 20 years)	5,378.96	5,683.43
(ii)	Prepaid Expenses	1,006.27	2,035.83
(iii)	Receivable on Accounts of Financial Guarantee given to bank	593.75	593.75
(iv)	Capital Advances		-
	<b>Total</b>	<b>6,978.98</b>	<b>8,313.01</b>

**Note 9: Trade Receivables**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unsecured, considered good	104,326.69	18,251.77
Unsecured,Considered doubtful	1,900.04	1,986.00
Less:provision for doubtful debts	(1,900.04)	(1,986.00)
<b>Total</b>	<b>104,326.69</b>	<b>18,251.77</b>

In case of Wholly owned subsidiary (WOS), it has made provision for doubtful debt for the amount due from a debtor of Rs. 1,900.04/- (in'000).A disputed debt of Rs. Nil [Prev year Rs. 1,900.04/-(in '000)]was due to the said WOS from a debtor.The said WOS had provided certain services to the debtor and since the debtor did not make the payment and disputed the same,the WOS referred the disputed matter to arbitration and an award in favour of WOS was received on 17/04/2012 and hence provision was not made at that time by the said WOS .However the debtor challenged the arbitration order in Bombay high court in july 2012. The said Arbitration application of debtor was allowed by the Bombay High court vide its order dated 17 Aug ,2015 thereby setting aside the award dtd 17.04.2012. The WOS challanged the order of Bombay High court before division bench, which did not accept the WOS's appeal but allowed to make application for appointment of Arbitrator subject to right of Debtor to raise objection for the same. As per order of Division bench of high court at Bombay, the WOS approached the Nagpur bench of the Bombay High court and filed a petition for appointment of Arbitrator . On 08-01-2018 the Nagpur bench of Bombay HC appointed an Arbitrator. This order was challenged by the Debtor in the SC . The Hon'able SC vide its order dtd 16th March 2018 directed that the question whether there was an agreement between the parties for Arbitration has to be first decided before the appointment of an arbitrator and thus HC may determine the same. In reference to aforesaid order of SC, the Debtor approached Bombay HC Nagpur bench, pursuant to which on the basis of a judgement produced by the Debtor, dismissed the application of the WOS for appointment of an Arbitrator reasoning that the said Hon'able court has no jurisdiction to decide application as seat of arbitration will be at Mum-bai/Delhi and court at Nagpur has no jurisdiction to entertain application of the WOS. Further, the WOS had also filed winding up petition before Delhi High court and the said petition has been dismissed by the said HC. Therefore ,the WOS made provision for doubtful debt of the same.

**Note 10: Cash and Cash Equivalents**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
(i)	Balances with Banks		
	On Current Accounts	21,020.06	155,297.31
(ii)	Cash on hand	413.26	268.35
	<b>Total</b>	<b>21,433.33</b>	<b>155,565.66</b>

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

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Fixed Deposit With Banks having Maturity of not more than Twelve months (refer note a to e)	385,876.06	125,317.08
Fixed Deposit having Maturity of more than Twelve months	676.52	147,743.01
Fixed Deposits pledged with Bank against Bank guarantee [Having maturity of not more than 12 months] (refer note f & g)	8,093.00	8,093.00
<b>Total</b>	<b>394,645.58</b>	<b>281,153.09</b>

**Note:**

- Fixed Deposits with Banks include Rs.2,00,000/- (in '000) (Previous Year Rs.NIL) pledged against Term Loan given by ICICI Ltd.
- 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. (note b & c)
- Fixed Deposits with Bank of India include Rs.27,125/- (in '000) [Previous Year Rs.1,30,000/- (in '000)] pledged against guarantee given by the Bank
- Fixed Deposit of Holding 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.
- Fixed Deposit of Holding 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 12: Loans : Current**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
<b>Advances other than Capital Advances</b>			
	Unsecured, considered good		
	Deposit for premises	43,323.00	43,000.00
	Deposit with Clearing house	6,647.23	6,247.23
	Deposit with Stock Exchange	6,994.00	12,510.00
	Deposit with Dubai Gold & Commodities Exchange(DGCX)	6,624.94	6,624.94
	Deposits - Other	56.67	53.16
	Inter corporate Deposit	52,322.69	21,600.00
	Loans to staff	817.97	822.70
	<b>Total</b>	<b>116,786.49</b>	<b>90,858.03</b>

**Note 13: Other Financial Assets : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unsecured, considered good unless otherwise stated		
Interest receivable	353.77	385.12
Receivable on TDS accounts from NBFC	1,017.39	900.96
Advances recoverable in cash or in kind	20.25	1,624.83
Shares Received As Margin From Business Associates	13,275.76	6,078.33
Shares Received As Margin From Constituents	213,208.07	216,799.80
Balances with Stock Exchanges (Net)	45,192.80	924.47
Other Advances	2,970.43	-
<b>Amounts Due from Business Associates</b>		
Secured against Base capital Deposits, considered good	1,311.16	1,115.60
Unsecured, considered good	3,153.67	3,008.45
<b>Amounts Due from Constituents</b>		
Secured against Shares , considered good	175,458.38	85,980.74
Unsecured, considered good	13,142.45	25,297.37
<b>Total</b>	<b>469,104.13</b>	<b>342,115.67</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 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 14: Other Current assets**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unsecured, considered good		
a) Balances with Government Authorities		
(i) Excise Duty / Service Tax / GST	935.61	4,149.70
b) Others		
i) Prepaid Expenses	3,756.12	5,870.56
ii) Prepaid amount on Preference Shares	304.47	304.47
Prepaid component of 7,50,000 (7,50,000 as on 31 Mar 2018) redeemable Preference Shares of ₹10 each of Omniscience Capital Advisors Private Limited (redeemable within 20 years)		
iii) Deposit for Service Tax Appeal	339.92	-
iv) Others	330.92	-
v) Accrued Income	761.68	
<b>Total</b>	<b>6,428.72</b>	<b>10,324.72</b>

**Note 15: Equity Share Capital**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Authorised :</b>		
10,000,000 Equity shares at ₹10/- par value	100,000.00	100,000.00
	<b>100,000.00</b>	<b>100,000.00</b>
<b>Issued, Subscribed and Paid up :</b>		
4,952,560 Equity shares at ₹10/- par value	49,525.60	49,525.60
Less :1,18,985 Treasury Shares (Nucleus Trust)*	(1,189.85)	(1,189.85)
	<b>48,335.75</b>	<b>48,335.75</b>
<b>Total</b>	<b>48,335.75</b>	<b>48,335.75</b>

**Terms/Rights attached to Equity Shares**

- The Holding 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, 2019 and March 31, 2018.
- In the event of liquidation of the Holding company, the holders of equity shares will be entitled to receive remaining assets of the holding 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 Holding Company issued, pursuant to a Scheme of Arrangement approved by the Hon'ble High Courts of Bombay vide their Orders dated February 10, 2006, to the Nucleus Stock Trust, created wholly for the benefit of the Holding Company and is being managed by trustees appointed by it.



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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
Equity Shares Outstanding at the beginning of the year	4,833,575	48,335.75	4,833,575	48,335.75
Changes during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<b>4,833,575.00</b>	<b>48,335.75</b>	<b>4,833,575.00</b>	<b>48,335.75</b>

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Asit C. Mehta	2,291,638	46.27%	2,291,638	46.27%
Mrs. Deena A. Mehta	900,358	18.18%	900,358	18.18%
Asit C Mehta Commodity Services Ltd	<b>400,470</b>	<b>8.09%</b>	<b>400,470</b>	<b>8.09%</b>

**c. Details of forfeited shares**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount originally paid up (in '000)	No. of shares	Amount originally paid up (in '000)
Equity shares with voting rights	147,700	738.50	147,700	738.50
Equity shares with voting rights*	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.

**Note 16: Other Equity**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Capital Reserve</b>		
As per last Balance Sheet	759.50	759.50
	<b>759.50</b>	<b>759.50</b>
<b>Securities Premium</b>		
As per last Balance Sheet	41,692.54	41,043.96
Add : Received During the year	-	648.58
	<b>41,692.54</b>	<b>41,692.54</b>
<b>Retained Earnings</b>		
As per last Balance Sheet	151,125.59	164,716.50
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	16,092.36	(13,368.90)
"Other Comprehensive Income for the year - Remeasurement gain/ (loss) on Defined Benefit Plans (Net of tax)"		
Add: Adjustments due to Ind AS transition	-	(222.02)
	<b>167,217.94</b>	<b>151,125.59</b>
<b>Equity Instruments through Other Comprehensive Income</b>		
As per last Balance Sheet	73,015.18	5,295.73
Add: Movement during the year	1,232.71	67,719.45
Less : Transferred to Retained Earning	-	-
	<b>74,247.89</b>	<b>73,015.18</b>
<b>Total</b>	<b>283,917.87</b>	<b>266,592.81</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

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

**Capital Reserve:** Capital reserves created by the Holding Company due to forfeiture of Equity Shares of the Holding 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 Group 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 their Comprehensive Income.

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

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
(i)	<b>Secured loans</b>		
	<b>A. From Bank</b>		
	a. Term Loan from ICICI Bank [refer note (i) below]	17,592.82	19,726.85
	b. Car Loan from bank	1,309.20	-
	<b>B. From NBFCs</b>		
	a. Term Loan from NBFC [refer note (i) below]	25,021.86	25,907.62
	b. Term Loan from NBFC [refer note (ii) below]	64,084.17	74,344.47
	c. Term Loan from NBFC [refer note (iii) below]	44,769.64	48,293.86
	d. From NBFC [refer note (iv) below]	194,634.04	207,264.32
	e. From NBFC [refer note (v) below]	-	335.09
(ii)	<b>Unsecured</b>		
	<b>14% Compulsory Convertible Debentures</b>		
	NIL (As on 31.03.2018 - 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
	<b>Total</b>	<b>347,411.72</b>	<b>377,835.94</b>

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

(₹ in '000)

Name of Security	As on March 31, 2019	As on March 31, 2018
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)	19,666.12	21,554.88
Rate of Interest : [31.03.2019 10.60% , 31.03.2018 10.50%]		
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)	74,743.79	84,694.63
Rate of Interest : [31.03.2019 11.15% , 31.03.2018 9.75%]		
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)	48,649.28	52,471.08
Rate of Interest : [31.03.2019 11.15% , 31.03.2018 9.75%]		
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)	231,840.57	234,416.70
Rate of Interest : [31.03.2019 10.10% , 31.03.2018 9.40%]		
v) Secured by hypothecation of Motor Car	1,622.04	1,587.95
Rate of Interest : [31.03.2019 8.86% , 31.03.2017 10.92%]		
<b>Total</b>	<b>376,521.80</b>	<b>394,725.24</b>
<b>Less: Current Maturities of Long-term debt (Refer Note 23)</b>	29,110.09	18,853.03
<b>Total</b>	<b>347,411.72</b>	<b>375,872.21</b>

**Note 18: Provisions : Non-current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Provision for employee benefits</b>		
Gratuity ( Unfunded)	11.29	-
Leave Encashment	99.78	73.65
<b>Total</b>	<b>111.07</b>	<b>73.65</b>

**Note 19: Deferred Tax Liabilities (Net):**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Deferred Tax liabilities	16,661.15	12,083.01
<b>Total</b>	<b>16,661.15</b>	<b>12,083.01</b>

**Note 20: Other Financial Liabilities: Non-Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Unamortised amount of Guarantee commission	118.75	237.50
<b>Total</b>	<b>118.75</b>	<b>237.50</b>

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

### Note 21: Borrowings : Current

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
	<b>Repayable on demand</b>		
<b>a.</b>	<b>From Banks- Secured</b>		
	Overdraft from Bank of India	56,967.67	56,025.37
	Secured against the FDR pledged with Bank of India, Stock Exchange Br, Security provided by The Subsidiary M/s. ACMIL (Rate of Interest 3.8%) (P.Y. 3.7%) above Term Deposit rate.		
	Overdraft from Bank of India	12,994.87	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 Asit C. Mehta Financial Services Limited - The Holding Company, and (ii) personal guarantee of the Managing Director and of whole time director of a subsidiary; by Holding company and of Asit C. Mehta Commodity Services Limited]		
	Overdraft from Bank of India		
	[secured against 50% Banks TDR, personal guarantee of the Managing Director and of whole time director of a subsidiary; by Holding company and of Asit C. Mehta Commodity Services Limited]	49,975.00	-
	Overdraft from State Bank of India	149,897.10	149,554.47
	[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) registered mortgage of residential premises owned by Managing director and one of the whole time directors; (ii) registered mortgage of office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and of whole time director of a subsidiary]		
	ICICI Bank - Short Term loan	100,000.00	-
	[secured by all the current assets of the groups subsidiary with 50% Cover. personal guarantee of the Managing Director and of whole time director of a subsidiary]		
<b>b.</b>	<b>From Others- unsecured</b>		
	<b>Inter Corporate Deposit</b>	52,200.00	15,500.00
	(Repayable on Demand and Rate of Interest- 11% to 16%)		
	<b>Redeemable Preference Shares</b>		
	4,500,000, 9% Cumulative Redeemable Preference Shares of Rs.10 each	45,000.00	45,000.00
	1,500,000, 4% Cumulative Redeemable Preference Shares of Rs.10 each	15,000.00	15,000.00
	2,000,000, 4% Cumulative Redeemable Preference Shares of Rs.10 each	20,000.00	20,000.00
	<b>14% Compulsory Convertible Debentures</b>	480.10	-
	400,000 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.		
	<b>Others</b>		
	Base Capital deposits from Business Associates	42,034.31	35,427.25
	Security Deposits	6,505.00	8,115.50
	<b>Total</b>	<b>551,054.05</b>	<b>357,531.00</b>

**Note 22: Trade Payables**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
(a) total outstanding dues of micro enterprises and small enterprises; and		-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	369,987.61	367,619.20
<b>Total</b>	<b>369,987.61</b>	<b>367,619.20</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 on March 31, 2019	As on March 31, 2018
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest Paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

**Note 23: Other Financial Liabilities: Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
<b>Current Maturities of Long Term borrowings</b>	29,110.09	18,853.03
<b>Other Financial Liabilities</b>		
Interest payable on borrowings	2,290.84	2,147.88
<b>Other Payables</b>		
Shares received as Margin from Constituents	213,208.07	216,799.80
<b>Total</b>	<b>244,609.00</b>	<b>237,800.71</b>

**MARGIN FROM CONSTITUENTS OF SUBSIDIARY**

- The Group, in the course of business activities by one of its subsidiaries as stock broker, 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 said subsidiary 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 said subsidiary of the Group 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, 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.13 and stated at the market value as at the end of the year.
- 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.
- Amounts due to Constituents, Creditors/Other Liabilities are subject to Confirmation.

**Note 24: Other Current Liabilities**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
(i)	Income Received in advance	433.23	433.23
(ii)	<b>Others</b>		
	Statutory dues	8,234.13	11,070.24
	Other Liabilities	8,729.39	6,155.89
	Escrow Deposit	46,550.00	46,550.00
	<b>Total</b>	<b>63,946.73</b>	<b>64,209.35</b>

**Note 25: Provisions : Current**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
	<b>Provision for employee benefits :</b>		
(i)	<b>Gratuity - (Unfunded)</b>	1,482.03	1,165.38
(ii)	Leave Encashment	400.96	573.55
(iii)	Salary	-	14.23
	<b>Total</b>	<b>1,882.99</b>	<b>1,753.15</b>

**Note 26: Tax Liabilities (Net) : Current**

(₹ in '000)

Description	As on March 31, 2019	As on March 31, 2018
Current Tax provision	198.55	-
	<b>198.55</b>	<b>-</b>

**Note 27: Revenue from Operations**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
A) Income from ITeS Services		
- Domestic	13,406.31	23,345.73
- Exports	-	2,659.46
B) Debt Recover services	13,465.83	
C) Rental Income	14,814.88	35,382.48
D) Advisory charges		
- Domestic	8,985.00	1,800.00
- Exports	105,862.50	-
F) Stock broking and allied services	273,615.46	384,295.17
<b>Total</b>	<b>430,149.98</b>	<b>447,482.83</b>

**Note 28: Other Income**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest Income</b>		
on Bank Deposits	19,715.20	18,790.77
on Income Tax Refund	409.96	478.47
on Inter Corporate Deposit	4,133.68	4,770.18
Interest - Preference Shares	138.38	126.96
Interest on Electricity Security Deposit	67.45	67.27
Interest on Security Deposit with clearing Corporation	221.23	190.48
Dividend	118.34	3.60
Bank Guarantee Commission	118.75	118.75
<b>Other Operating Income</b>		
Provision for Gratuity written back	-	93.56
Withdrawal from provision for bad debts	1,986.00	-
Miscellaneous Income	220.06	93.06
<b>Total</b>	<b>27,129.06</b>	<b>24,733.09</b>

**Note 29: Employee Benefit Expenses**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries ,Wages & Bonus	117,827.40	109,843.02
Contribution to PF and Other funds	5,579.98	5,150.05
Staff Welfare	2,792.65	1,496.14
Leave Encashment	224.34	61.38
Gratuity Expenses	1,971.69	3,408.70
<b>Total</b>	<b>128,396.05</b>	<b>119,959.28</b>

**Note 30: Finance Cost**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Interest Expense		
- Cash Credit	38,158.62	39,435.13
- Term Loans / CC	25,025.58	20,439.12
- Others	921.59	1,394.20
- Interest Preference Shares	304.47	101.49
- On Car Loan	158.70	241.03
- On Inter corporate Deposits	3,300.15	2,281.11
- On Unsecured Debentures	196.37	415.21
b) Other borrowing cost		
- Loan processing ,registration fee and stamp duty	1,395.23	125.61
- Annual Maintenance Charges for loan account to NBFC	210.00	354.40
<b>Total</b>	<b>69,670.70</b>	<b>64,787.30</b>

**Note 31: Other Expenses**

(₹ in '000)

Description	For the year ended March 31, 2019	For the year ended March 31, 2018
Business Associates Expenses	109,407.69	150,843.51
Service Charges Demat	3,227.22	4,131.92
Marketing Expenses	9,107.30	10,062.34
Electricity charges	7,175.40	5,603.33
Legal and Professional fees	10,553.45	14,063.49
Rates and Taxes	7,032.14	4,203.97
Securities Transaction Tax	-	6,039.26
Service Tax & Swachh Bharat Cess	-	163.09
Insurance	779.68	917.70
Leave and License Fees for Premises	2,509.73	2,552.97
Office Maintenance	2,373.02	2,357.21
Membership & Subscription	3,254.69	3,067.03
Communication, Connectivity & Telephone Expenses (Net)	4,687.26	5,073.01
Postage and Courier Expenses	1,756.17	1,953.53
Printing and Stationery (Net)	2,278.26	1,734.10
Fixed Assets Written Off	429.43	688.98
Loss On Sale Of Assets	-	3.66
Directors sitting fees	345.00	355.00
Auditors' remuneration –		
Audit fees	1,635.00	1,420.00
Tax Audit	200.00	175.00
Other Services	502.61	172.80
Conveyance & Travelling	4,206.87	2,249.85
Repairs and Maintenance – Equipments	-	7,072.25
Repairs and Maintenance – Building	7,528.85	386.02
Repairs and Maintenance – Other	3,403.79	2,755.72
Depository charges / Other receivables Written off	-	27,210.11
Bad Debts	2,796.74	-
Provision for bad and doubtful debts	1,900.04	1,986.00
Exchange difference on Consolidation	(35.24)	364.45
Bank Guarantee Commission	4,232.72	3,391.63
Brokerage/Commission	401.93	-
Foreign Exchange rate difference	1,752.10	-
Software Expenses	404.16	-
Miscellaneous Expenses	8,879.57	9,560.20
<b>Total</b>	<b>202,725.58</b>	<b>270,558.11</b>



**Note 32: Contingent Liabilities and Commitments**

(₹ in '000)

	Description	As on March 31, 2019	As on March 31, 2018
<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 16-17)	589.87	-
ii	Service Tax matters under appeal (refer footnote)	10,197.58	10,197.58
iii	FERA matter (refer footnote)	16,186.00	16,186.00
iv	Disputed Claims against the Group not provided for	1,274.37	1,041.46
v	Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)		-
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	11,766.73
		<b>40,014.55</b>	<b>39,191.77</b>
<b>b.</b>	<b>Guarantee given (refer footnote)</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	28,350.00	24,300.00
	b) On 4% Cumulative Redeemable Preference Shares, Redemable with Premium of 5% per year or part of year	3,008.22	2,408.22
	c) On 4% Cumulative Redeemable Preference Shares	3,414.79	2,614.80
		<b>34,773.01</b>	<b>29,323.01</b>

**Footnote:**

The Holding 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 Holding Company for which the Holding 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 Holding Company received an order imposing a penalty of ₹ 16,186 (₹ in '000) from the Office of the Special Director of Enforcement holding it guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Holding 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 Holding 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 Holding Company's appeal against this Order was dismissed by Commissioner (Appeals). Against this Order, the Holding Company has filed appeal before CESTAT Mumbai. 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 Group to estimate the timings of cash outflows which would be determinable only on receipt of judgements pending at various forums/authorities.

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

**B Commitments** NIL

**Note 33: 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, 2019	For the year ended March 31, 2018
	<b>Rental Income</b>		
i.	Asit C Mehta Forex Private Limited	60.00	60.00
ii.	Edgytal Digital Marketing Private Limited	720.00	720.00
iii.	Asit C Mehta Commodity Services Limited	120.00	120.00
iv.	Lasoon Live- Aakash	60.00	60.00
	<b>Interest Received</b>		
i.	Asit C Mehta Commodity Services Limited	3,220.51	4,100.20
	<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	2.14	31.27
	<b>Advertising / Marketing Expenses Paid</b>		
i.	Edgytal Digital Marketing Private Limited	4,138.50	3,177.90
	<b>Brokerage paid</b>		
i.	Asit C Mehta Commodity Services Limited	781.30	465.00
	<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	420.00	841.15

**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	<b>Remuneration to KMP</b>		
i.	Mr. Asit C Mehta	2,491.97	2,491.97
ii.	Mr. Kirit Vora	2,322.00	2,322.00
iii.	Mr. Pankaj Parmar	2,290.76	2,094.59
iv.	Ms. Mamta Gautam	1,101.15	311.39
v.	Ms. Purvi Ambani		1,339.74
	<b>Sitting Fees to KMP</b>		
i.	Mr. Asit C Mehta	40.00	50.00
ii.	Mrs. Deena A. Mehta	40.00	50.00
iii.	Mr. Kirit Vora	60.00	75.00
iv.	Mr. Vijay Ladha	55.00	75.00
v.	Mr. Radha Krishna Murthy	50.00	75.00
vi.	Mr. Pundarik Sanyal	40.00	30.00
	<b>Loan Received</b>		
i.	Edgytal Digital Marketing Private Limited	1,050.00	2,150.00
	<b>Loan Repaid</b>		
i.	Edgytal Digital Marketing Private Limited	1,050.00	2,150.00
	<b>Loan Given</b>		
i.	Asit C Mehta Commodity Services Limited	1,20,241.70	37,600.00
ii.	Mamta Gautam	100.00	-
	<b>Loan Received back</b>		
i.	Asit C Mehta Commodity Services Limited	1,06,919.02	39,830.47
ii.	Mamta Gautam	20.00	-

(₹ in '000)

	Compensation of Key Management Personnel of the Holding Company	For the year ended March 31, 2019	For the year ended March 31, 2018
	Short-term employee benefits	8,205.27	8,559.69
	<b>Total</b>	<b>8,205.27</b>	<b>8,559.69</b>

**C. Outstanding Balances**

(₹ in '000)

	PARTICULARS	As at March 31, 2019	As at March 31, 2018
	<b>Closing balance Receivable:</b>		
i.	Asit C Mehta Commodity Services Limited (incl Interest)	20,822.69	7,500.00
ii.	Mamta Gautam	80.00	
	<b>Property Deposit Receivable</b>		
i.	Mr. Asit C Mehta	17,500.00	17,500.00
ii.	Mrs. Deena A. Mehta	25,500.00	25,500.00
	<b>Property Deposit Payable</b>		
i.	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.

**Note 34:**
**Earnings Per Share (EPS)**

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (' in '000)	27,808.91	(7,042.98)
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	10.00	10.00
Basic and Diluted Earnings per Share	5.75	(1.46)

**Note 35: Lease**
**Where the Group is a lessor**

The group 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)

Particulars	As at March 31, 2019	As at March 31, 2018
Rental Income recognised in statement of profit and loss	14,814.88	35,382.48
<b>Total</b>	<b>14,814.88</b>	<b>35,382.48</b>

The Holding 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.

(₹ in '000)

	Particulars	As at March 31, 2019	As at March 31, 2018
i	Lease rental Income		
	Total of lease rent Income for a period :		
	Not later than one year	18,870.00	14,814.88
	later than one year but not later than five years	36,576.00	-
	later than five years	2,182.00	-
	<b>Total</b>	<b>57,628.00</b>	<b>14,814.88</b>

**Note 36: Employee Benefits**

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

(₹ in '000)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contribution to Provident Fund	5,579.98	5,150.05
<b>TOTAL</b>	<b>5,579.98</b>	<b>5,150.05</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 31,2019	March 31,2018
i.	Mortality	IALM(2006-08)Ult.	
ii.	Discount Rate (per annum)	7.64%	7.69%
iii.	Rate of increase in Compensation levels (per annum)	5.00%	5.00%
iv.	Attrition Rate	0.8% for all ages	0.8% for all ages
v.	Retirement Age	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, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity funded	Gratuity funded	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	12,320.10	9,874.27		93.56
	Current Service Cost	1,985.85	1,600.98		-
	Interest Cost	890.80	716.71	10.76	6.92
	Actuarial (Gains)/Loss on obligation	(495.13)	(1,213.83)		
	Actuarial (gains)/ losses arising from changes in financial assumption	-	-		-
	Actuarial (gains)/ losses arising from changes in experience adjustment	-	-	0.71	(100.49)
	Past Service cost - Vested Benefits	-	1,824.28		
	Benefits Paid	(1,411.97)	(482.32)		-
	Present value of defined benefit obligation at the end of the year (PVO)	13,289.66	12,320.09	11.47	-
<b>ii.</b>	<b>Fair value of Plan Assets</b>				
	Fair value of plan assets at the beginning of the year	11,154.73	9,493.11	-	-
	Interest Income	846.96	761.32	-	-
	Return on Plan Assets excl. interest income	30.46	(224.00)	-	-
	Actuarial Gain/(Loss)	-	-	-	-
	Employer's Contributions	1,187.62	1,606.61	-	-
	Benefits Paid	(1,411.97)	(482.32)	-	-
	Fair value of plan assets at the end of the year	11,807.80	11,154.73	-	-
<b>iii.</b>	<b>Amount to be recognised in the Balance Sheet and Statement of Profit and Loss</b>				
	PVO at end of period	13,289.66	12,320.10	11.47	-
	Fair Value of Plan Assets at end of period	11,807.80	11,154.73	-	-
	Funded Status	(1,481.86)	(1,165.38)	-	-
	Net Assets/(Liability) recognised in the Balance Sheet	(1,481.86)	(1,165.38)	(11.47)	-
<b>iv.</b>	<b>Net Benefit (Asset) /Liability</b>				
	Defined benefit obligation at beginning of period	12,320.10	9,874.28	-	93.56
	Fair value of plan assets at beginning of period	11,154.73	9,493.11	-	-
	Net Benefit (Asset) /Liability	1,165.38	381.17	-	93.56
<b>v.</b>	<b>Net Interest Cost for Current Period</b>				
	Interest Expenses	890.80	716.71	10.76	6.92
	Interest Income	846.96	761.32	-	-
	Net Interest Cost for Current Period	43.84	(44.62)	10.76	6.92

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
<b>vi.</b>	<b>Return on plan assets</b>				
	Actual Return on plan assets	877.42	537.33	-	-
	Interest income included in above	846.96	761.32	-	-
	Return on plan assets excluding interest income	30.46	(224.00)	-	-
<b>vii.</b>	<b>Expenses recognised in the Statement of Profit and Loss</b>				
	Current Service Cost	1,985.85	1,600.99		-
	Interest cost on benefit obligation (net)	43.84	(44.61)	10.76	6.92
	Past service cost (vested Benefits)	-	1,824.28		
	Total Expenses recognised in the Statement of Profit and Loss	2,029.69	3,380.65	10.76	6.92
<b>viii.</b>	<b>Remeasurement Effects Recognised in Other Comprehensive Income for the year</b>				
	Actuarial (gains)/ losses arising from changes in financial assumption	(381.33)	(253.96)	-	-
	Actuarial (gains)/ losses arising from changes in experience adjustment	(113.80)	(959.85)	0.71	(100.49)
	Return on plan asset excluding net interest	(30.46)	223.99	-	-
	Recognised in Other Comprehensive Income	(525.58)	(989.83)	0.71	(100.49)
<b>ix.</b>	<b>Movements in the Liability recognised in Balance Sheet</b>				
	Opening Net Liability	1,165.38	381.17		93.56
	Adjustment to opening balance	-	-		-
	Expenses as above	2,029.69	3,380.65	10.76	6.92
	Contribution paid	(1,187.63)	(1,606.61)		-
	Other Comprehensive Income (OCI)	(525.58)	(989.83)	0.71	(100.49)
	Closing Net Liability	1,481.86	1,165.38	11.47	-
<b>x.</b>	<b>Cash flow Projection: From the Fund</b>				
	Within the next 12 months (next annual reporting period)	3,754.62	3,780.25	0.36	-
	2nd following year	192.11	181.80	0.54	0.18
	3rd following year	182.28	215.23	0.73	0.38
	4th following year	586.00	314.58	0.92	0.60
	5th following year	750.92	896.81	1.11	0.83
	Sum of Years 6 To 10	4,909.16	8,586.59	8.71	2.48
<b>xi.</b>	<b>Sensitivity Analysis</b>				
	Projected Benefit Obligation on Current Assumptions				
	Delta Effect of +1% Change in Rate of Discounting	12,254.49	11,325.53	-	-
	Delta Effect of -1% Change in Rate of Discounting	14,513.57	13,501.36	-	-

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
		Gratuity funded	Gratuity funded	Gratuity unfunded	Gratuity unfunded
	Delta Effect of +1% Change in Rate of Salary Increase	14,506.83	13,496.35	-	-
	Delta Effect of -1% Change in Rate of Salary Increase	12,242.42	11,314.51	-	-
<b>xii.</b>	<b>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.

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



(₹ in '000)

Particulars	As at March 31, 2019				As at March 31, 2018			
	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	1,675.95	-	-	-	1,537.57	-	-	-
Loans	129,193.91	-	-	-	110,745.32	-	-	-
Trade Receivable	104,326.69	-	-	-	18,251.77	-	-	-
Cash and cash equivalents	21,433.33	-	-	-	155,565.66	-	-	-
Other Bank Balance	394,645.58	-	-	-	281,153.09	-	-	-
Others	469,254.13	-	-	-	342,165.67	-	-	-
	<b>1,120,529.59</b>				<b>909,419.08</b>			
Measured at FVTOCI								
Investment in equity instruments	114,721.91	14,128.49	-	100,593.43	111,566.82	12,348.40	-	99,218.43
<b>Total Financial Assets</b>	<b>1,235,251.51</b>	<b>14,128.49</b>	<b>-</b>	<b>100,593.43</b>	<b>1,020,985.91</b>	<b>12,348.40</b>	<b>-</b>	<b>99,218.43</b>
<b>Financial Liabilities</b>								
Measured at Amortised Cost								
Borrowing	898,465.77	-	-	-	735,366.93	-	-	-
Trade Payables	369,987.61	-	-	-	367,619.20	-	-	-
Others	244,609.00	-	-	-	237,800.71	-	-	-
<b>Total Financial Liabilities</b>	<b>1,513,062.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,340,786.85</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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 31-Mar-19	As at 31-Mar-18
Total Debt	898,465.77	735,366.93
Total Equity	332,253.62	314,928.55
Debt Equity Ratio	2.70	2.34

**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.

**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 Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar.

The carrying amount of the Group's foreign currency denominated monetary assets as at the end of the reporting period is as follows :

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in Foreign currency (in '000)	Amount (in '000)	Amount in Foreign currency (in '000)	Amount (in '000)
Receivable USD	1,380.00	95,866.67	-	-

The carrying amount of the Group's foreign currency denominated monetary assets as at the end of the reporting period is as follows :

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount in Foreign currency (in '000)	Amount (in '000)	Amount in Foreign currency (in '000)	Amount (in '000)
Payable USD	1,380.00	95,866.67	-	-

**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, 2019		As at March 31, 2018	
	5% increase	5% decrease	5% increase	5% decrease
<b>Impact on Profit and Loss</b>				
USD	(4,793.33)	4,793.33	-	-
<b>Total</b>			<b>0.00</b>	<b>(0.00)</b>

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, 2019</b>				
Non-derivative financial liabilities				
Borrowings	551,054.05	1,309.20	346,102.52	898,465.77
Trade Payables	369,987.61			369,987.61
Other payables	244,609.00			244,609.00
	1,165,650.66	1,309.20	346,102.52	1,513,062.38
<b>As at March 31, 2018</b>				
Non-derivative financial liabilities				
Borrowings	357,531.00	335.09	377,500.85	735,366.93
Trade Payables	367,619.20			367,619.20
Other payables	237,800.71			237,800.71
	<b>962,950.91</b>	<b>335.09</b>	<b>377,500.85</b>	<b>1,340,786.85</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 Group has identified following four reportable primary segments, in terms of Ind AS 108 on 'Operating Segment':

- Investment Activities
- Advisory and Consultancy services
- Information Technology Enabled Services (IT)
- Stock Broking and allied Services

(₹ in '000)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. Segment Revenue (Sales / Services to external customers):</b>		
a. Investment Activities	14,814.88	35,382.48
b. Advisory and Consultancy services	105,862.50	1,800.00
c. Information Technology Enabled Services (IT)	132,734.64	26,005.18
d. Stock Broking and allied Services	176,737.96	384,295.17
<b>Total Revenue</b>	<b>430,149.98</b>	<b>447,482.83</b>
<b>B. Segment Results:</b>		
a. Investment Activities	(8,344.94)	12,148.93

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
b. Advisory and Consultancy services	92,918.64	(3,283.13)
c. Information Technology Enabled Services ( IT)	(5,003.19)	3,547.23
d. Stock Broking and allied Services	(4,129.33)	21,838.00
<b>Total</b>	<b>75,441.19</b>	<b>34,251.04</b>
Add: Unallocable Income	27,129.06	24,733.09
Less: Interest Expense	69,670.70	64,787.30
<b>Profit/(Loss) before Tax</b>	<b>32,899.55</b>	<b>(5,803.17)</b>

(₹ in '000)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Other Information :</b>		
<b>Segment Assets</b>		
a. Investment Activities	627,378.44	826,171.86
b. Advisory and Consultancy services	96,277.07	2,580.93
c. Information Technology Enabled Services ( IT)	116,898.74	116,993.31
d. Stock Broking and allied Services	1,091,646.00	959,383.09
Others – Unallocated	12,970.05	2,846.22
<b>Total</b>	<b>1,945,170.30</b>	<b>1,907,975.40</b>
<b>Segment Liabilities</b>		
a. Investment Activities	392,372.23	437,622.68
b. Advisory and Consultancy services	11.47	-
c. Information Technology Enabled Services ( IT)	131,085.76	100,121.68
d. Stock Broking and allied Services	1,080,584.95	923,060.44
e. Others – Unallocated	1,650.49	-
<b>Total</b>	<b>1,605,704.91</b>	<b>1,460,804.79</b>
<b>Capital Expenditure during the year</b>		
Investment Activities		
– Tangible Fixed Assets	396.13	379.16
– Intangible Fixed Assets	-	-
b. Advisory and Consultancy services	-	-
c. Information Technology Enabled Services ( IT)	2,665.46	335.80
d. Stock Broking and allied Services	13,217.23	3,963.19
e. Others – Unallocated	-	-
<b>Total</b>	<b>16,278.82</b>	<b>4,678.16</b>
<b>Depreciation during the year</b>		
a. Investment Activities	13,458.20	13,053.69
b. Advisory and Consultancy services	250.60	643.97
c. Information Technology Enabled Services ( IT)	1,618.89	281.62
d. Stock Broking and allied Services	8,259.47	8,735.13
e. Others – Unallocated	-	-
<b>Total</b>	<b>23,587.16</b>	<b>22,714.40</b>

Segmentwise and Customer wise Revenue comprising 10% or more of respective segment of Revenue:

(₹ in '000)

Revenue from	As at March 31, 2019		As at March 31, 2018	
	Revenue	No. of Customers	Revenue	No. of Customers
Investment Activities	-	-	24,175.84	2.00
Advisory Services	1,05,862.50	1.00	1,800.00	1.00
<b>Total</b>	<b>1,05,862.50</b>	<b>1.00</b>	<b>25,975.84</b>	<b>3.00</b>

(₹ in '000)

Particulars	As at March 31, 2019			As at March 31, 2018		
	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	3,24,287.48	18,74,194.36	2,665.46	4,44,823.37	17,66,197.42	335.80
Overseas	1,05,862.50	95,866.67		2,659.46	-	
<b>Total</b>	<b>4,30,149.98</b>	<b>19,70,061.03</b>	<b>2,665.46</b>	<b>4,47,482.83</b>	<b>17,66,197.42</b>	<b>335.80</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 ceasing 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.

- b. Disclosure of subsidiary having material non-controlling interest :
  - (i) Summarised Statement of Profit and Loss

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermediates Ltd	
	March 31, 2019	March 31, 2018
Revenue	352,738.67	408,544.61
Profit/(Loss) for the year	16,056.86	11,590.68
Other comprehensive income	(530.78)	1,695.45
<b>Total comprehensive income</b>	<b>15,526.09</b>	<b>13,286.14</b>
Profit/(Loss) allocated to non-controlling interest	7,891.91	6,753.34
Dividend to non-controlling interest	-	-

- (ii) Summarised Balance Sheet

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermediates Ltd	
	As at March 31, 2019	As at March 31, 2018
Current assets (a)	10,72,550.07	8,90,246.46
Current liabilities (b)	(10,79,043.00)	(9,20,524.13)
<b>Net current assets (c) = (a) - (b)</b>	<b>(6,492.93)</b>	<b>(30,277.67)</b>
Non-current assets (d)	92,244.99	99,362.72

## ASIT C. MEHTA FINANCIAL SERVICES LIMITED

Non-current liabilities (e)	(3,511.95)	(4,234.31)
<b>Net non-current assets (f) = (d) - (e)</b>	<b>88,733.04</b>	<b>95,128.41</b>
Net assets (g) = (c) +(f)	82,240.11	64,850.74
Accumulated non-controlling interest	41,802.65	32,963.63

### (iii) Summarised Cash flows

(₹ in '000)

Particulars	Asit C. Mehta Investment Intermmediates Ltd	
	2018-19	2017-18
Cash flows from operating activities	(2,53,139.00)	94,999.85
Cash flows from investing activities	10,580.05	(493.58)
<b>Cash flows from financing activities</b>	<b>1,05,994.60</b>	<b>23,932.03</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,36,564.35)</b>	<b>1,18,438.30</b>

### 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	99.72	3,36,694.70	57.52	30,552.22	1.23	15.19	176.43	30,567.41
<b>Indian Subsidiaries</b>								
Nucleus IT Enabled Services Ltd	(4.20)	(14,187.02)	(9.42)	(5,003.19)	119.94	1,478.50	(140.35)	(24,315.27)
Asit C. Mehta Investment Intermmediates Limited	16.87	56,969.71	73.96	39,280.03	(43.06)	(530.78)	129.98	22,519.70
<b>Total</b>	<b>112.39</b>	<b>3,79,477.40</b>	<b>122.06</b>	<b>64,829.06</b>	<b>78.11</b>	<b>962.92</b>	<b>166.07</b>	<b>28,771.84</b>
<b>Less: Non-controlling Interest in:</b>								
Asit C. Mehta Investment Intermmediates Limited	12.39	41,825.77	22.06	11,716.56	(21.89)	(269.79)	66.07	11,446.76
<b>TOTAL</b>	<b>100.00</b>	<b>3,37,651.63</b>	<b>100.00</b>	<b>53,112.50</b>	<b>100.00</b>	<b>1,232.71</b>	<b>100.00</b>	<b>17,325.07</b>

The above figures are after eliminating intra group transactions and intra group balances as at 31.3.2019

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

1 to 41

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

For and on behalf of the Board of Directors

Asit C Mehta  
Chairman  
DIN: 00169048

Kirit Vora  
Director  
DIN: 00168907

(Kiran C. Shah) Partner  
Membership No. 032187  
Place : Mumbai  
Date : May 29, 2019

Mamta Gautam  
Chief Financial Officer

Meha Sikarwar  
Company Secretary

**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	Nucleus IT Enabled Services Limited (NITES)
1.	Reporting period for the Subsidiary	March 31, 2019
2.	Reporting Currency	Indian Rupees (INR)
3.	Exchange Rate (as on the last date of the relevant Financial year in the case of foreign subsidiaries)	
4.	Share Capital	300
5.	Reserves & Surplus	(481)
6.	Total Assets	1190
7.	Total Liabilities	1372
8.	Investments	1020
9.	Turnover	286
10.	Profit Before Tax	(258)
11.	Provision for Taxation	(0.00)
12.	Profit After Tax	(258)
13.	Proposed Dividend	-
14.	% of Shareholding	100%

**Part “B”: Associates**

(Amt. in Rs.)

Sr. No.	Name of the Associate	Asit C. Mehta Investment Intermediates Limited (ACMIL)
1.	Latest audited Balance Sheet Date	March 31, 2019
2.	Shares of associate/joint venture held by the Company at the year end	
	i. Number of equity shares	5,561,111
	ii. Amount of investment in associate / joint venture	126,627,070
	iii. Extent of holding %	49.17
3.	Description of how there is significant influence	<p>As per Section 2(6) of the Act, “associate company”, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary of the Company having such influence and includes a joint venture company.</p> <p>For the purposes of this clause, “significant influence” means control of at least 20% of total share capital, or of business decisions under an agreement.</p> <p>Since the Company holds more than 20% of the total share capital of ACMIL.</p>
4.	Reason why the associate / joint venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited / unaudited Balance Sheet	89,020,880
6.	Profit / (Loss) for the year	
	i. Considered in Consolidation	11,716,557
	ii. Not Considered in Consolidation	181,047,143

For and on behalf of the Board of Directors

 Asit C. Mehta  
 Chairman  
 DIN: 00169048

 Kirit H. Vora  
 Director  
 DIN: 00168907

 Mumbai  
 May 29, 2019

 Mamta Gautam  
 Chief Financial Officer

 Meha Sikarwar  
 Company Secretary

## 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)

### ATTENDANCE SLIP

35th Annual General Meeting on Friday, 27th September, 2019 at 11.00 A.M. at the Register office of the Company situated 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 Fifth Annual General Meeting of the Company at Nucleus House, Saki-Vihar Road, Andheri (East), Mumbai: 400072, at 11.00 a.m. on Friday, 27th September, 2019.

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.

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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)

### 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]

35th Annual General Meeting - Friday, 27th September, 2019 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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting of the Company, to be held on Friday, 27th September, 2019 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:

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**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

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**ASIT C. MEHTA FINANCIAL SERVICES LIMITED**

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Resolution Number	Resolution	Vote (Please mark (√) and No. of shares		
		For	Against	Abstain
Ordinary Business:				
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements containing the Balance Sheet as at 31st March, 2019 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 Mr. Kirit H. Vora (DIN: 00168907), who retires by rotation and, being eligible, offers himself for re-appointment.			
Special Business:				
3.	Appointment of Dr. Radha Krishna Murthy (DIN: 00221583), Independent Director for a second term of 5 (five) consecutive years after the expiry of his present term of office.			
4.	Appointment of Mr. Pundarik Sanyal (DIN: 01773295), Independent Director for a second term of 5 (five) consecutive years after the expiry of his present term of office.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Affix Revenue Stamp
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\_\_\_\_\_  
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.
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Asit C. Mehta Group Company

**Asit C. Mehta Financial Services Limited**

**CIN: L65900MH1984PLC091326**

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