A. K. Capital Finance Pvt. Ltd.

BUILDING BONDS

ABRIDGED FINANCIAL STATEMENTS

2016-2017

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Kumar Mittal
Managing Director (DIN: 00698377)

Mr. Abhinav Kumar Mittal
Director (DIN: 00698436)

Mrs. SnehLata Mittal
Director (DIN: 01308868)

Mr. Deepak Mittal
Director (DIN: 00043685)

Mr. Raghubinder Rai
Independent Director (DIN: 00851994)

Mr. Rajiv Kumar Bakshi
Independent Director (DIN: 00264007)

KEY MANAGEMENT PERSONNEL

Mr. Atul Kumar Mittal
Managing Director (DIN: 00698377)

Mr. Rupesh Samani (Resigned w.e.f. November 5, 2016)
Company Secretary (ACS No: 13748)

Ms. Meeta Sanghvi (Appointed w.e.f. November 5, 2016)
Company Secretary (ACS No: 21168)

Mr. Mahesh Bootra
Chief Financial Officer

STATUTORY AUDITORS

M/s. Suresh Surana & Associates LLP, Chartered Accountants
LLP Identification Number: AAB-7509

DEBENTURE TRUSTEE

Catalyst Trusteeship Limited (Formerly GDA Trusteeship Ltd.)
GDA House, Plot No. 85,
Bhusari Colony (Right),
Paud Road, Pune - 411 038
Tel: + 91 (020) 2528 0081; Fax: + 91 (020) 2528 0275
Email: dt@ctltrustee.com
Website: www.gdatrustee.com

BANKERS

The Federal bank Limited
Bank of India
The South Indian Bank Limited
The Karur Vyasya Bank Limited
The Lakshmi Vilas Bank
Andhra Bank
Bank of Maharashtra
HDFC Bank Limited
Axis Bank Limited
Indusind Bank Limited
Punjab National Bank
Vijaya Bank
Yes Bank Limited

REGISTERED OFFICE

30-39, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021, Maharashtra, India
Website: www.akcapindia.com | Tel: + 91-22-66349300/67546500| Fax: + 91-22-66100594

BRANCH OFFICE

609, 6th Floor, AntrikshBhawan, 22 Kasturba Gandhi Marg, Connaught Place, New Delhi – 110001
Tel: + 91-11-23739628/47340685 | Fax: +91-11-23739627

CORPORATE IDENTIFICATION NUMBER

U51900MH2006PTC214277

INDEPENDENT AUDITORS' REPORT ON ABRIDGED STANDALONE FINANCIAL STATEMENTS

To,

The Members of

A. K. CAPITAL FINANCE PRIVATE LIMITED

Report on the abridged standalone financial statements

The accompanying abridged standalone financial statements of A.K. Capital Finance Private Limited ('the Company'), which comprise the abridged balance sheet as at 31 March 2017, the abridged statement of profit and loss, the abridged cash flow statement for the year then ended, and related notes, are derived from the audited standalone financial statements of the Company for the year ended 31 March 2017. We expressed an unmodified audit opinion on those financial statements in our report dated 6 May 2017.

The abridged standalone financial statements do not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 applied in the preparation of the audited standalone financial statements of the Company. Reading the abridged standalone financial statements, therefore, is not a substitute for reading the audited standalone financial statements of the Company.

Management's responsibility for the abridged standalone financial statements

The Company's Board of Directors is responsible for the preparation of abridged standalone financial statements in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited standalone financial statements of the Company for the year ended 31 March 2017, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India.

Auditors' responsibility

Our responsibility is to express an opinion on the abridged standalone financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged standalone financial statements, prepared in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 are derived from the audited standalone financial statements of the Company for the year ended 31 March 2017 and are a fair summary of those standalone financial statements.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W/W-100010

(Madhukar Khandekar)

PARTNER

Membership No.: 13912

Mumbai; Dated : May 06, 2017

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
A. K. CAPITAL FINANCE PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of A. K. Capital Finance Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the 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 purpose of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 37 to the financial statements.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W/W-100010

(Madhukar Khandekar)
PARTNER

Membership No.: 13912
Mumbai; Dated : May 06, 2017

ANNEXURE – 'A' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

(b) The Company has regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner on yearly basis. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

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

(ii) The inventory of shares and securities has been held in the dematerialized form. The shares and securities held in the dematerialized form have been verified with the demat account statements at reasonable intervals, during the year. No discrepancies were noticed on such verification.

(iii) The Company has granted secured loans to three bodies corporate covered in the register maintained under Section 189 of the Act.

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act, the borrowers have been regular in payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to the bodies corporate listed in the register maintained under Section 189 of the Act.

(iv) As the Company is a Non-Banking Finance Company being engaged in the business of financing of companies, provisions of Section 185 and 186 of the Act is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.

(vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.

(vii) (a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the 31 March, 2017 for a period of more than six months from the date they became payable. As informed, statutory dues in the nature of employee state insurance, sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(b) According to information and explanations given to us, there are no dues on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks, financial institutions, government or debentures holders.

(ix) Based on information and explanations given to us, the term loans have been applied for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer.

(x) According to the information and explanations given to us, we have neither come across any instance of fraud by the company or any fraud on the company by its officers and employees, noticed or reported during the year, nor have we been informed of any such cases by the management.

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

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

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

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of equity shares during the year under review. The Company has been complied with the requirement of Section 42 of the Act and the amount raised has been used for the purpose for which the fund was raised.

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

(xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act 1934, and the registration certificate has been obtained.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W/W-100010

(Madhukar Khandekar)
PARTNER
Membership No.: 13912
Mumbai Dated : May 06, 2017

ANNEXURE – 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of A. K. Capital Finance Private Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W/W-100010

(Madhukar Khandekar)
PARTNER
Membership No.: 13912
Mumbai; Dated: May 06, 2017

AUDITORS' ADDITIONAL REPORT

The Board of Directors
A. K. Capital Finance Private Limited
30-39, Free Press House,
3rd Floor, Free Press Journal Marg,
215, Nariman Point,
Mumbai – 400 021

We report that the statutory audit of **A. K. Capital Finance Private Limited** was conducted by us in pursuance of the provisions of the Companies Act, 2013 and we have annexed hereto a copy of our Audit Report dated May 06, 2017 along with a copy of each of the audited statement of profit and loss and the cash flow statement of the Company for the year ended on March 31, 2017 and balance sheet as at March 31, 2017 along with the documents declared by the relevant Act to be part of, or annexed to, the statement of profit and loss and the balance sheet.

In addition to the said Report, as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('The Directions'), issued by the Reserve Bank of India ('RBI') vide notification No. DNBS /2016-17/48 dated September 29, 2016 pursuant to the powers conferred in terms of Sub-Section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, on the basis of the books of account and other relevant records examined by us and according to the information and explanations given to us, we report on Paragraphs 3 and 4 of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 as under:

1. **Para 3(A)**
   - I. The Company is engaged in the business of Non-Banking Financial Company as defined under clause (ii) of Section 45-IC of the Reserve Bank of India Act, 1934. The Company has obtained a Certificate of Registration numbered N-13.01991 from Mumbai R.O. of the Reserve Bank of India (RBI) dated May 24, 2011 for registration as a "Non-Banking Financial Company (not accepting public deposits)" in lieu of the earlier certificate no. N-05.06698 dated July 12, 2007 issued by Kolkata R.O. of the RBI.
   - II. On the basis of the financial statements for the year ended March 31, 2017 audited by us and as per regulation 5 of Systematically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, we hereby report that the Company is entitled to continue to hold such Certificate of Registration in terms of its asset pattern as on March 31, 2017.
   - III. Based on the net owned fund requirement as laid down in regulation 5 of Master Direction- Non banking financial Company–Systemically important Non –Deposit taking Company(Reserve bank) Directions,2016 ,we hereby report that the Company is meeting the required net owned fund requirement.
2. **Para 3(B)**

   As indicated in Clause 1 above, since the Company has Certificate of Registration as "Non-Banking Financial Company Not Accepting Public Deposits", the matters referred to in Para 3(B) of the Directions are not applicable to the Company.
3. **Para 3(c)**
   - I. The Board of Directors has passed a resolution in the meeting of Board of Directors held on April 27, 2016 for the non-acceptance of any public deposits.
   - II. The Company has not accepted any Public Deposit during the year.
   - III. The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 in the preparation of financial statements for the year ended March 31, 2017.
   - IV. The Company being a Systemically Important Non- Deposit taking NBFC as defined in paragraph 2(1)(xxx) of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2016.
     - (a) The Capital adequacy ratio as disclosed in the return submitted to the RBI in form NBS-7 has been correctly arrived at and such ratio is in compliance with the minimum capital to risk asset ratio ('CRAR') prescribed by RBI. and
     - (b) Presently there is no requirement of furnishing the annual statement of capital funds, risk assets/exposures and risk assets ratio (NBS 7) to RBI. The Company has furnished to the RBI, the statement of capital funds, risk assets/ exposures and risk asset ratio (NBS-7) within the stipulated period.
   - V. Based on the criteria set forth by the RBI in regulation 2(xix) of the Non-Banking Financial Company (NBFC) – Non Systemically important non-Deposit taking Company (Reserve bank) Direction 2016 for classification of NBFC's as NBFC-MFI's, the Company is not classified as a Micro Finance Institution with reference to the business carried on by it during the year ended March 31, 2017.
4. **Para 3(D)**

   Since as per RBI, the Company is required to hold Certificate of Registration, the matters referred to in Para 3(D) of the Directions are not applicable to the Company.

   This report is issued pursuant to our obligations under Non-banking Financial Companies Auditors' report (Reserve Bank) Directions, 2016 to submit a report on additional matters as stated in the Directions to the RBI and may not be suitable for any other purpose. Accordingly, our report should not be quoted or referred to in any other document made available to any other person or persons without our prior written consent.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm Reg. No. 121750W/W-100010

(Madhukar Khandekar)
PARTNER
Membership No.: 13912
Mumbai; Dated: May 06, 2017

ABRIDGED BALANCE SHEET AS AT MARCH 31, 2017

(Statement containing salient features of the Balance Sheet as per first provisio to sub-section 1 of Section 136 of the Companies Act, 2013 and Rule 10 of Company (Accounts) Rules, 2014)

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
I EQUITY AND LIABILITES		
1 Shareholders' funds		
(a) Paid-up Share Capital		
(i) Equity	232,937,500	219,500,000
(b) Reserves and surplus		
(i) Special reserve	222,992,531	159,992,531
(ii) Securities premium account	2,732,187,500	2,530,625,000
(iii) Surplus in the statement of profit and loss	872,704,504	624,804,500
	4,060,822,035	**3,534,922,031**
2 Non-current liabilities		
(a) Long-term borrowings	3,748,271,728	1,323,344,036
(b) Long-term provisions	6,188,298	4,908,199
(c) Deferred tax liabilities (net)	6,175,463	4,562,617
	3,760,635,489	**1,332,814,852**
3 Current liabilities		
(a) Short-term borrowings	11,971,946,301	10,390,912,333
(b) Trade payables	6,828,224	3,102,185
(c) Other current liabilities	715,662,680	326,944,752
(d) Short-term provisions	9,354,153	24,266,237
	12,703,791,358	**10,745,225,507**
TOTAL	**20,525,248,882**	**15,612,962,390**
II ASSETS		
Non-current assets		
(a) Fixed Assets		
(i) Tangible assets (Original cost less Depreciation)	118,878,246	84,662,715
(ii) Intangible assets (Original cost less Amortisation)	495,101	461,703
(b) Non current investments	1,563,537,250	942,129,640
(c) Long-term loans and advances	914,546,191	980,445,250
	2,597,456,788	**2,007,699,308**
2 Current Assets		
(a) Current Investments	5,903,868,113	6,497,773,500
(b) Inventories	9,155,829,788	4,986,460,694
(c) Trade receivables	161,269,833	171,394,051
(d) Cash and cash equivalents	48,508,109	23,520,313
(e) Short-term loans and advances	1,733,693,786	1,369,749,091
(f) Other current assets	924,622,465	556,365,433
	17,927,792,094	**13,605,263,082**
TOTAL	**20,525,248,882**	**15,612,962,390**
Significant accounting policies and notes to the abriged financial statements 1 & 2		

Compiled from the audited financial statements of the Company referred to in our report dated May 6, 2017.
Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirement of Schedule III to the Companies Act, 2013 are available at the Company's website - www.akcapindia.com

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

Madhukar Khandekar
Partner
Membership No. 13912
Place : Mumbai
Date : May 06, 2017

For and on behalf of the Board of Directors

A. K. Mittal
Managing Director
DIN: 00698377
Place : Mumbai
Date : May 06, 2017

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

ABRIDGED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT MARCH 31, 2017

(Statement containing salient features of the Statement of Profit and Loss as per first provisio to sub-section 1 of Section 136 of the Companies Act, 2013 and Rule 10 of Company (Accounts) Rules, 2014)

		Current Year ₹	Previous Year ₹
I	**Income**		
	Revenue from operations		
	(a) Interest Income	736,790,223	466,703,985
	(b) Revenue from other financial services		
	i. Investment Income	604,899,246	589,133,800
	ii. Other Operating income	194,468,589	128,821,473
	Net revenue from operation	1,536,158,058	1,184,659,258
II	**Other income**	-	112,363
III	**Total revenue (I+II)**	**1,536,158,058**	**1,184,771,621**
IV	**EXPENSES**		
	Employee benefits expenses	100,959,757	106,892,476
	Finance costs	830,594,663	696,952,241
	Depreciation / amortisation expenses	5,074,960	4,425,898
	Other expenses	97,270,618	73,374,124
	Contingent provision against standard assets	3,637,233	5,610,142
	Total expenses	**1,037,537,231**	**887,254,881**
V	**Profit before tax (III-IV)**	**498,620,827**	**297,516,740**
VI	**Tax expenses:**		
	- Current tax	190,700,000	80,000,000
	- Deferred tax	1,612,846	1,560,884
	- Earlier period tax adjustments	(4,592,023)	3,150
		187,720,823	**81,564,034**
VII	**Profit after tax (V-VI)**	**310,900,004**	**215,952,706**
	Basic earnings per share	14.16	10.82
	Diluted earnings per share	14.16	10.82
	Nominal value of equity shares	10.00	10.00

Significant accounting policies and notes to the abriged financial statements 1 & 2

Complied from the audited financial statements of the Company referred to in our report dated May 6, 2017.

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

Madhukar Khandekar
Partner
Membership No. 13912
Place : Mumbai
Date : May 06, 2017

For and on behalf of the Board of Directors

A. K. Mittal
Managing Director
DIN: 00698377
Place : Mumbai
Date : May 06, 2017

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

ABRIDGED CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2017

(Statement containing salient features of the Cash Flow Statement as per first provisio to sub-section 1 of Section 136 of the Companies Act, 2013 and Rule 10 of Company (Accounts) Rules, 2014)

	Current Year ₹	Previous Year ₹
A Net cash generated from / (used in) operating activities	**(5,089,707,707)**	**(3,994,083,104)**
B Net cash generated from / (used in) investing activities	**1,320,497,181**	**(1,220,059,564)**
C Net cash generated from / (used in) financing activities	**3,794,198,322**	**5,211,024,206**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**24,987,796**	**(3,118,462)**
Cash and cash equivalents at the beginning of the year	**23,520,313**	**26,638,775**
Cash and cash equivalents at the end of the year (Refer Note 2.5)	**48,508,109**	**23,520,313**

Significant accounting policies and notes to the abriged financial statements 1 & 2

Compiled from the audited financial statements of the Company referred to in our report dated May 6, 2017.

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

Madhukar Khandekar
Partner
Membership No. 13912
Place : Mumbai
Date : May 06, 2017

For and on behalf of the Board of Directors

A. K. Mittal
Managing Director
DIN: 00698377
Place : Mumbai
Date : May 06, 2017

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE 1.

SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of preparation of financial statements:

The accompanying abridged financial statements have been prepared pursuant to the first proviso to sub-section (1) of section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014 and are based on the audited financial statements of the Company for the year ended March 31, 2017. The abridged financial statements are presented in Indian rupees.

b. Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

c. Fixed assets:

Tangible assets

Tangible assets are stated at cost less accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The capitalised cost includes license fees and cost of implementation / system integration services.

d. Depreciation / amortisation:

Tangible assets

Depreciation on tangible fixed assets is provided on the basis of useful life of fixed assets specified by Schedule II to the Companies Act, 2013.

Leasehold improvements are amortised over the lease period.

Intangible assets

Software being amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is lower

e. Investments:

i) Long-term investments are valued at cost. Provision is made for diminution in the values when the decline is other than temporary.

ii) Current investments are valued at lower of cost or market / break up value determined on an individual investment basis.

f. Inventory

Inventory of shares and securities is valued at lower of cost (arrived on the basis of First In First Out (FIFO) method) or net realisable value. Bonds are valued at cost as their market value is not available. The cost of inventory is inclusive of transaction charges, brokerage and service tax etc.

g. Revenue recognition:

Trading income is recognised on the date of sale of securities.

Revenue from service charges, fees and commission is recognised when the contract has been completed.

Investment income is recognised on the date of sale of securities.

Interest income is recognised on accrual basis.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

h. Transaction in foreign currencies:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the balance sheet date are translated at the rates of exchange prevailing at the date of the balance sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognized in the statement of profit and loss. Non-monetary foreign currency items are carried at cost.

I Retirement benefits:

i Defined contribution plans

The Company contributes to employees' provident fund (a defined contribution plan) towards post employment benefit, which is administered by respective government authorities and the Company has no further obligation beyond making its contribution.

ii. Defined benefit plans

The Company has a defined benefit plan namely gratuity for all its employees. The liability for the defined benefit plan of gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

iii. Employee leave entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided as at the year end and charged to the statement of profit and loss.

j. Accounting for taxes on income:

i) Provision for income tax is made on the basis of the estimated taxable income for the accounting year in accordance with the Income-tax Act, 1961.

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a virtual / reasonable certainty that these would be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

k. Lease:

Leases where the lessor retains substantially all the risks and rewards of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on straight-line basis over the lease term.

l. Impairment of assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

m. Provisions and contingent liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The General Provision @ 0.35% (as at 31 March 2016 – 0.30%) on Standard Assets is made as per RBI notification issued as on 1st September 2016.

n. Earnings per share

The basic earnings per share ("EPS") is computed by dividing the net profit/(loss) after tax for the year available for the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year available for equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE - 2.1
Details of non-current investments (Corresponding to Note 12 of the complete financial statements)

Particulars	As at 31.3.2017 ₹	As at 31.3.2016 ₹
Book value of quoted non-current investments*	1,499,637,250	878,229,640
Market value of quoted non-current investments	1,499,637,250	572,315,572
Book value of unquoted non-current investments	63,900,000	63,900,000

*Securities are valued at cost as the market value is not available.

** During the year, the Company has converted its Non-current investments being equity shares amounting to ₹ 477,166,272 to Inventories at ₹180,393,664. Necessary impact of the same has been made in the Statement of Profit and Loss in accordance with the applicable accounting standards and the provisions of Para 10 of "Non-Banking Financial Company – Systematically Important Non – Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016". Also refer note 20 and 25 to the complete financial statements.

NOTE - 2.2
Details of current investments (Corresponding to Note 14 of the complete financial statements)

Particulars	As at 31.3.2017 ₹	As at 31.3.2016 ₹
Book value of quoted current investments*	5,903,868,113	6,497,773,500
Market value of quoted current investments	5,903,868,113	6,497,773,500

*Securities are valued at cost as the market value is not available.

NOTE - 2.3
Details of Cash and Cash Equivalents (Corresponding to Note 17 of the complete financial statements)

Particulars	As at 31.3.2017 ₹	As at 31.3.2016 ₹
Cash in Hand	1,537,514	2,367,697
Balance with banks in current accounts	46,970,595	21,152,616
Total	**48,508,109**	**23,520,313**

NOTE -2.4
SEGMENT REPORTING (Corresponding to Note 31 of the complete financial statements)

The Company operates in a single business and geographical segment i.e. "Trading and Investment in Securities" within India. Accordingly, no separate disclosures for primary business and secondary geographical segment are required.

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE - 2.5
RELATED PARTY DISCLOSURES

i) **Related party relationships:**

Holding company
A. K. Capital Services Limited

Fellow subsidiary
A. K. Stockmart Private Limited
A. K. Capital Corporation Limited
A. K. Wealth Management Private Limited

Key management personnel
A. K. Mittal (Managing Director)
Abhinav Kumar Mittal (Director)
Sneh Lata Mittal (Director)

Relative of a Key management personnel
Anshu
Aditi Mittal

Enterprise in which key management personal is having significant influence
M Square Automobile Private Limited
Second Leasing Private Limited
A. K. Services Private Limited

Enterprise in which relative of key management personal is having significant influence
Goodwill Capital Services Private Limited

Notes:

a) The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) - 18 'Related Party Disclosures' and the same have been relied upon by the auditors.

b) The relationship as mentioned above pertains to those related parties with whom transactions have taken place during the year and the previous year, except where control exist, in which case the relationship has been mentioned irrespective of the transaction with the related parties.

ii) Details of transactions with related parties are given as under:	Current Year ₹	Previous Year ₹
A) Transaction with related parties:		
Brokerage paid		
A. K. Stockmart Private Limited	7,298,397	8,562,788
Demat charges paid		
A. K. Stockmart Private Limited	147,284	246,236
Directors remuneration		
A. K. Mittal	9,600,000	9,600,000
Abhinav Kumar Mittal	7,200,000	7,200,000
Sneh Lata Mittal	600,000	600,000
Rent Paid		
A. K. Mittal	3,800,000	2,650,000
Abhinav Kumar Mittal	200,000	2,350,000
Anshu	1,800,000	1,500,000
Aditi Mittal	2,000,000	-
Repair & Maintenance - Car		
M Square Automobile Private Limited	-	58,313
Purchase of Car		
M Square Automobile Private Limited	15,892,500	-

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Current Year ₹	Previous Year ₹
A) Transaction with related parties:		
Interest Income on Loan given		
A. K. Services Private Limited	548,219	140,548
Second Leasing Private Limited	3,057,534	-
M Square Automobile Private Limited	8,919,452	-
Goodwill Capital Services Private Limited	16,028,710	166,027
Loan Given during the year		
A. K. Services Private Limited	-	227,500,000
Second Leasing Private Limited	100,000,000	-
M Square Automobile Private Limited	230,000,000	-
Goodwill Capital Services Private Limited	300,000,000	305,000,000
Repayment of Loan given during the year		
A. K. Services Private Limited	227,500,000	-
Second Leasing Private Limited	100,000,000	-
M Square Automobile Private Limited	180,000,000	-
Goodwill Capital Services Private Limited	505,000,000	-
Deposit given during the year		
Aditi Mittal	10,000,000	-
Deposit repaid during the year		
Abhinav Kumar Mittal	10,000,000	-
Non Convertible Debentures issued to		
A. K. Capital Services Limited	180,000,000	-
A. K. Services Private Limited	100,000,000	-
Interest Expenses on Non Convertible Debentures		
A. K. Capital Services Limited	870,444	-
A. K. Services Private Limited	34,849	-
A. K. Stockmart Private Limited	394,521	-
Purchase of Securities (excluding accrued interest)		
A. K. Capital Corporation Limited	20,008,000	-
A. K. Stockmart Private Limited	5,001,000	-
A. K. Services Private Limited	248,075,490	-
A. K. Wealth Management Private Limited	1,000,300	-
Goodwill Capital Services Private Limited	82,078,800	-
Sale of Securities (excluding accrued interest)		
A. K. Stockmart Private Limited	55,000,000	-
A. K. Services Private Limited	43,956,400	-
Issue of Share capital including share premium		
A. K. Capital Services Limited	215,000,000	300,000,000

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

ii) Details of transactions with related parties are given as under:	Current Year ₹	Previous Year ₹
B) Balances of related parties:		
Rent deposit given outstanding as at year end		
A. K. Mittal	10,000,000	10,000,000
Abhinav Kumar Mittal	-	10,000,000
Anshu	5,000,000	5,000,000
Aditi Mittal	10,000,000	-
Balances Payable		
A. K. Stockmart Private Limited	94,597	59,803
Outsanding Balance of Loan Given		
M Square Automobile Private Limited	50,000,000	-
A. K. Services Private Limited	-	227,500,000
Goodwill Capital Services Private Limited	100,000,000	305,000,000
Non Convertible Debentures held		
A. K. Capital Services Limited	164,000,000	-
A. K. Services Private Limited	5,300,000	-
A. K. Stockmart Private Limited	60,000,000	-
Interest Accrued on Non Convertible Debentures held		
A. K. Capital Services Limited	870,444	-
A. K. Services Private Limited	34,849	-
A. K. Stockmart Private Limited	394,521	-
Interest Accrued but not due on Loan Given (net of TDS)		
A. K. Services Private Limited	-	126,493
Goodwill Capital Services Private Limited	2,689,348	149,425
C) Guarantee		
Corporate Guarantee given by Holding Company to bank for working capital demand loan taken by the Company	1,750,000,000	2,750,000,000

Note - Transaction amount is excluding taxes wherever applicable.

NOTE - 2.6

The following table sets out the disclosure as required by the notification no. DNBS. 200 /CGM(PK)-2008 dated 1 August 2008 and DNBR (PD) CC.No.002/03.10.001/2014-15 dated 10 November 2014 and DNBR. PD. 008/03.10.119/2016-17 dated 1 September 2016 issued by RBI. (Corresponding to Note 33 of the complete financial statements)

(I) CAPITAL			
	Items	**Current Year**	**Previous Year**
(i)	CRAR (%)	34.24	36.51
(ii)	CRAR - Tier I capital (%)	34.14	36.41
(iii)	CRAR - Tier II capital (%)	0.10	0.10
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-
(v)	Amount raised by issue of Perpetual Debt Instruments	-	-

(In Crores)

(II) INVESTMENT		Current Year	Previous Year
1.	**Value of Investments**		
(i)	Gross Value of Investments		
	- In India	746.74	743.99
	- Outside India	-	-
(ii)	Provisions for Depreciation		
	- In India	-	-
	- Outside India	-	-
(iii)	India Net Value of Investments		
	- In India	746.74	743.99
	- Outside India	-	-

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(In Crores)

2.	Movement of provisions held towards depreciation on investments	Current Year ₹	Previous Year ₹
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

iii) Derivatives

The Company did not have any transactions in Derivatives.

iv) Disclosures relating to Securitisation

The Company did not have any transactions relating to Securitisation.

v) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

(₹ In Crores)

	1 day to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 yrs to 5 years	Over 5 years	Total
Deposits	-	-	-	-	3.19	-	-	-	**3.19**
Advances	40.19	29.49	33.47	29.42	116.63	91.03	-	-	**340.23**
Investments	600.16	-	-	-	-	152.88	-	6.39	**759.43**
Inventories	409.49	265.27	256.89	-	-	-	-	-	**931.65**
Borrowings	928.29	93.30	152.98	65.05	28.25	133.55	137.13	104.15	**1,642.69**
Foreign Currency assets	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	**-**

Note:

Advances includes loans and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received, advance payment of taxes and deposits.

vi) Exposures

(In Crores)

	Current Year ₹	Previous Year ₹
A. Exposures to real estate sector		
a) Direct exposure		
(i) **Residential mortgages -** Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that Is rented; (Individual housing loans up to Rs. 15 lakhs may be shown separately)	-	-
(ii) **Commercial Real Estate -** Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	106.21	71.59
(iii) **Investments in Mortgage Backed Securities (MBS) and securitiesed exposures -**		
a. Residential	-	-
b. Commercial real estate	-	-
Total Exposure to Real Estate Sector	**106.21**	**71.59**

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(In Crores)

	Current Year ₹	Previous Year ₹
B. Exposures to Capital Market		
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	6.39	63.28
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	0.10	0.40
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**6.49**	**63.68**

C. Details of financing of parent company products

The Company did not have any financing of parent company's products.

D. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

Single Borrower Limit (SGL) / Group Borrower Limit (GBL) has not been exceeded the prudential exposure limits during the year by the Company.

E. Unsecured Advances

During the current year, the Company has advanced ₹50,000,000 as unsecured advances.

vii) Miscellaneous

A. Registration obtained from other financial sector regulators

There is no other registration obtained from any other financials sector regulators.

B. Disclosure of Penalties imposed by RBI and other regulators

There is no penalty imposed by RBI and other regulators.

C. Related Party Transactions

i) All material transactions with related parties are disclosed in Note 2.5 of the Financial Statements.

ii) The Company have the policy on dealing with Related party Transactions and it is disclosed on group website www.akcapindia.com

D. Rating assigned by credit rating agencies and migration of rating during the year

During the year, the credit rating agencies have assigned the following credit ratings to the Company:

1 Long Term Bank Facilities - CARE A+ (SO) [Single A Plus (Structured Obligations)]
2 Long Term Bank Facilities - CARE A+ (Single A Plus)
3 Commercial Paper - CARE A1+ (A One Plus)
4 Non-Convertible Debentures - SMERA AA (SO)
5 Non-Convertible Debentures - BWR AA (SO)

During the year, there are no migration of above mentioned ratings.

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

E. Remuneration of Directors

All the pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company have been been disclosed in Note 2.5 of the Financial Statements.

F. Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items and change in accounting policies except as reported in the Financial Statements.

G. Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

H. Accounting Standard 21 - Consolidated Financial Statements (CFS)

The Company does not have any subsidiary company and hence, Accounting Standard 21 - Consolidated Financial Statements (CFS) is not applicable.

(viii) Additional Disclosures

(₹ in Crores)

A.	Provisions and Contingencies	Current Year ₹	Previous Year ₹
	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		
	(i) Provisions for depreciation on Investment	-	-
	(ii) Provision towards NPA	-	-
	(iii) Provision made towards Income tax (Including Deferred tax and Earlier period tax adjustments)	18.77	8.16
	(iv) Other Provision and Contingencies (Employee Benefits)	0.18	0.24
	(v) Provision for Standard Assets	0.36	0.56

B. Draw Down from Revenues

There have been no drawdown from Reserves.

C.	Concentration of Deposits, Advances, Exposures and NPAs	₹ in Crores
a.	**Concentration of Deposits (for deposit taking NBFCs)**	
	Total Deposits of twenty largest depositors	Not Applicable
	Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	Not Applicable
b.	**Concentration of Advances**	
	Total Advances to twenty largest borrowers	314.14
	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	94.65%
c.	**Concentration of Exposures**	
	Total Exposure to twenty largest borrowers / customers (Including interest accrued and due)	322.45
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	94.77%
d.	**Concentration of NPAs**	
	Total Exposure to top four NPA accounts	-
e.	**Sector-wise NPAs**	
	Sector	**% of NPAs to advance in that sector**
	Agriculture & allied activities	-
	MSME	-
	Corporate borrowers	-
	Services	-
	Unsecured personal loans	-
	Auto Loans	-
	Other personal Loans	-

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

D. Movements of NPAs

During the year, there are no NPA accounts in the Company.

E. Overseas Assets

During the year, there are no overseas assets in the Company.

F. Off-Balance Sheet SPVs sponsored

During the year, there are no off-balance sheet SPVs sponsored by the Company.

G. Disclosure of Complaints

During the year, there are no Customer Complaints received from any Customers by the Company.

NOTE - 2.7
EARNINGS PER SHARE
(Corresponding to Note 34 of the complete financial statements)

	Current Year ₹	Previous Year ₹
Net profit after tax available for equity share holders (₹)	310,900,004	215,952,706
Weighted average number of equity shares outstanding during the year for basic earnings per share (No.)	21,953,682	19,955,464
Basic and diluted earnings per share (₹)	14.16	10.82
Nominal value of share (₹)	10.00	10.00

NOTE - 2.8 (Corresponding to Note 35 of the complete financial statements)

The Company has not received any intimation from its suppliers regarding their registration under the 'Micro, Small and Medium Enterprises Development Act, 2006'. Hence, no disclosure has been made.

NOTE - 2.9
CORPORATE SOCIAL RESPONSIBILITY (CSR) (Corresponding to Note 36 of the complete financial statements)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water, promoting education, promoting gender equality, empowering women and ensuring environmental sustainability.

Particluars			Amount ₹
Gross amount required to be spent by the Company during the year (including previous year shortfall of ₹4,490,829)			9,680,694
Amount Spent During the Year	**In Cash ₹**	**Yet to be Paid in Cash ₹**	**Total ₹**
(i) Construction/acquisition of any asset	-	-	-
(ii) Donation to recognised Educational entity	10,000,000	-	10,000,000
Excess in CSR Expenditure			**319,306**

NOTE - 2.10
DISCLSOURE ON SPECIFIED BANK NOTES (SBNs)(Corresponding to Note 37 of the complete financial statements)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Description	Specified Bank Notes (Amount in ₹)	Other Denomination Notes (Amount in ₹)	Total (Amount in ₹)
Closing cash in hand as on November 08,2016	-	2,834,293	2,834,293
(+) Permitted receipts*	-	387,000	387,000
(-) Permitted payments	-	(927,396)	(927,396)
(-) Amount Deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	2,293,897	2,293,897

* Permitted receipts indicates cash withdrawn from bank

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

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE - 2.11(Corresponding to Note 38 of the complete financial statements)

The disclosure required in terms of paragraph 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2016 is given in Annexure 'A'.

NOTE - 2.12 (Corresponding to Note 39 of the complete financial statements)

The Company has not created deferred tax asset on long term capital loss because there is no virtual / reasonable certainity.

NOTE - 2.13 (Corresponding to Note 40 of the complete financial statements)

In the opinion of management, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

NOTE - 2.14 (Corresponding to Note 41 of the complete financial statements)

In the opinion of the management, diminution in the value of long term investments in shares is of temporary in nature in accordance with Accounting Standard - 13 "Accounting for Investments". Accordingly, carrying amount of such long term investment is not reduced to recognise such decline.

NOTE - 2.15 (Corresponding to Note 42 of the complete financial statements)

Previous year's figure have been regrouped or rearranged, wherever considered necessary, to conform with the current year's presentation.

Signature to 1 - 2.15

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

Madhukar Khandekar
Partner
Membership No. 13912

Place : Mumbai
Date : May 06, 2017

For and on behalf of the Board of Directors

A. K. Mittal	Abhinav Kumar Mittal	Mahesh Bhootra	Meeta Sanghavi
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 00698377	DIN: 00698436		ACS: 21168

Place : Mumbai
Date : May 06, 2017

ANNEXURE "A"

SCHEDULE TO THE ABRIDGED BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON 31 MARCH 2017

Disclosure in terms of Paragraph 18 of Non Banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

	Particulars		(Amount ₹ In Crores)	
	Liabilities side			
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid**		**Amount outstanding**	**Amount Overdue**
a)	Debentures			
		Secured	235.98	NIL
		Unsecured (Other than falling within the meaning of public deposit*)	NIL	NIL
b)	Deferred credits		NIL	NIL
c)	Term loans		209.21	NIL
d)	Inter - corporate loans and borrowings		NIL	NIL
e)	Commercial papers		97.87	NIL
f)	Working capital demand loan from bank		497.18	NIL
g)	Clearing Corporation of India Limited		419.50	NIL
h)	Repo Account		182.95	NIL
*Refer note no.1 below				

	Asset Side		
			(Amount ₹ In Crores)
2	**Break up of loans and advances including bills receivables other than those included in (4) below**		**Amount outstanding**
		Secured	326.91
		Unsecured	5.00
		(includes those in nature of loans and excludes advances recoverable in cash or kind or for value to be received, advance payment of income tax and deposits)	
3	**Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities**		**Amount outstanding**
a)	Lease assets including lease rentals under sundry debtors		
		Financial lease	Not applicable
		Operating lease	Not applicable
b)	Stock on the hire including hire charges under sundry debtors		
		Assets on hire	Not applicable
		Repossessed assets	Not applicable
c)	Other loans counting towards EL/HP activities		
		Loans where assets have been repossessed	Not applicable
		Loans other than above	Not applicable
4	**Break up of investments**		**Amount Outstanding**
	Current investments		
a)	**Quoted**		
		Shares	Nil
		Equity	Nil
		Preference	Nil
		Debentures and bonds	Nil
		Units of mutual funds	Nil
		Government securities	590.39
		Others	Nil

ANNEXURE "A"

SCHEDULE TO THE ABRIDGED BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON 31 MARCH 2017

Disclosure in terms of Paragraph 18 of Non Banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

	Break up of investment (contd.)	Amount outstanding
b)	**Unquoted**	
	Shares	Nil
	Equity	Nil
	Preference	Nil
	Debentures and bonds	Nil
	Units of mutual funds	Nil
	Government securities	Nil
	Others	Nil
	Long term investments	
a)	**Quoted**	
	Shares	Nil
	Equity	Nil
	Preference	Nil
	Debentures and bonds	149.96
	Units of mutual funds	Nil
	Government securities	Nil
	Others	Nil
b)	**Unquoted**	
	Shares	Nil
	Equity	6.39
	Preference	Nil
	Debentures and bonds	Nil
	Units of mutual funds	Nil
	Government securities	Nil
	Others	Nil

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	Borrowers group wise classification of financed as in (2) above:	Amount outstanding as at 31.03.2017		
	Category	**Amount Net of Provisions**		
1	**Related parties**	**Secured**	**Unsecured**	**Total**
	a) Subsidiaries	Nil	Nil	Nil
	b) Companies in the same group	Nil	Nil	Nil
	c) Other related parties	15.00	Nil	15.00
2	**Other than related parties**	311.91	5.00	316.91
	Total	**326.91**	**5.00**	**331.91**

Refer note no. 2 below

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	Investor group wise classification of all investments (current and long term) In shares and securities (both quoted and unquoted)	Amount outstanding	
	Category	**Market value/ break up of fair value or NAV**	**Book value (net of provision)**
1	**Related parties***		
	a) Subsidiaries	Nil	Nil
	b) Companies in the same group	Nil	Nil
	c) Other related parties	Nil	Nil
2	**Other than related parties**	**746.74**	**746.74**
	Total	**746.74**	**746.74**

* As per Accounting Standard notified by Central Government of India (Refer note no. 3 below)

SCHEDULE TO THE ABRIDGED BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON 31 MARCH 2017

Disclosure in terms of Paragraph 18 of Non Banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

Other Information

	Category	As at 31.3.2017 ₹
i)	Gross non-performing assets	
	a) Related parties	NIL
	b) Other than related parties	NIL
ii)	Net non-performing assets	
	a) Related parties	NIL
	b) Other than related parties	NIL
iii)	Assets acquired in satisfaction of debts	NIL

Notes:

1) As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

2) Provisioning norms shall be applicable as prescribed in Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

3) All Accounting Standards notified by Central Government of India and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments (except Debentures and Government Securities are valued at cost as the market value is not available) and break up/ fair value/ NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.

4) Unquoted debentures has been treated as term loans or types of credit facilities depending upon the tenure of such debentures for the purpose of income recognition and asset classification.