A. K. Capital Finance Pvt. Ltd.

BUILDING BONDS

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 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;
   (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

BALANCE SHEET AS AT MARCH 31, 2017

		Note No.	As at 31.03.2017 ₹	As at 31.03.2016 ₹
I	**EQUITY AND LIABILITES**			
1	**Shareholders' funds**			
	(a) Share capital	2	232,937,500	219,500,000
	(b) Reserves and surplus	3	3,827,884,535	3,315,422,031
			4,060,822,035	**3,534,922,031**
2	**Non-current liabilities**			
	(a) Long-term borrowings	4	3,748,271,728	1,323,344,036
	(b) Long-term provisions	5	6,188,298	4,908,199
	(c) Deferred tax liabilities (net)	6	6,175,463	4,562,617
			3,760,635,489	**1,332,814,852**
3	**Current liabilities**			
	(a) Short-term borrowings	7	11,971,946,301	10,390,912,333
	(b) Trade payables	8	6,828,224	3,102,185
	(c) Other current liabilities	9	715,662,680	326,944,752
	(d) Short-term provisions	10	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**			
1	**Non-current assets**			
	(a) Fixed Assets	11		
	(i) Tangible assets		118,878,246	84,662,715
	(ii) Intangible assets		495,101	461,703
	(b) Non current investments	12	1,563,537,250	942,129,640
	(c) Long-term loans and advances	13	914,546,191	980,445,250
			2,597,456,788	**2,007,699,308**
2	**Current Assets**			
	(a) Current Investments	14	5,903,868,113	6,497,773,500
	(b) Inventories	15	9,155,829,788	4,986,460,694
	(c) Trade receivables	16	161,269,833	171,394,051
	(d) Cash and cash equivalents	17	48,508,109	23,520,313
	(e) Short-term loans and advances	18	1,733,693,786	1,369,749,091
	(f) Other current assets	19	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	1		

The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

For and on behalf of the Board of Directors

Madhukar Khandekar
Partner
Membership No. 13912

A. K. Mittal
Managing Director
DIN: 00698377

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

Place : Mumbai
Date : May 06, 2017

Place : Mumbai
Date : May 06, 2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note No.	Current Year ₹	Previous Year ₹
I Revenue from operations	20	1,536,158,058	1,184,659,258
II Other income	21	-	112,363
III **Total revenue (I+II)**		**1,536,158,058**	**1,184,771,621**
IV **EXPENSES**			
Employee benefits expenses	22	100,959,757	106,892,476
Finance costs	23	830,594,663	696,952,241
Depreciation / amortisation expenses	11	5,074,960	4,425,898
Other expenses	24	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	1		

The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

For and on behalf of the Board of Directors

Madhukar Khandekar
Partner
Membership No. 13912

A. K. Mittal
Managing Director
DIN: 00698377

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

Place : Mumbai
Date : May 06, 2017

Place : Mumbai
Date : May 06, 2017

CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2017

	Current Year ₹	Previous Year ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	498,620,827	297,516,740
Adjustments for		
Depreciation	5,074,960	4,425,898
Interest expenses	820,725,381	680,983,621
Dividend income on investments	(1,470,275)	(6,858,172)
Loss on sale of fixed assets	-	1,293,893
Bad debts	386,200	-
Interest received on investments	(526,052,336)	(505,580,732)
Profit on Liquid Fund	(192,765)	-
Profit on sale of investments	(77,183,870)	(76,694,896)
Contingent Provisions against standard assets	3,637,233	5,610,142
Operating profit before working capital adjustments	**723,545,355**	**400,696,494**
Adjustments for		
(Increase)/decrease in trade and other receivables	(665,386,805)	(1,791,624,096)
(Purchase) / sale of inventory	(4,938,985,430)	(2,531,973,296)
Increase/(Decrease) in trade and other payables	2,511,286	2,837,512
Cash generated from operations	**(4,878,315,594)**	**(3,920,063,386)**
Direct taxes paid	(211,392,113)	(74,019,718)
Net cash generated from operating activities	**(5,089,707,707)**	**(3,994,083,104)**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(39,323,889)	(1,331,171)
Sale of fixed assets	-	3,600,000
(Purchase) / sale of investments (net)	819,297,983	(1,728,139,937)
Interest received on investments	538,860,047	498,953,372
Profit on Liquid Fund	192,765	-
Dividend income on investments	1,470,275	6,858,172
Net cash generated from/(used in) investing activities	**1,320,497,181**	**(1,220,059,564)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of equity share capital	13,437,500	20,000,000
Securities premium received	201,562,500	280,000,000
Proceeds from / (repayment) of borrowings (net)	4,383,849,744	5,587,541,425
Interest paid	(804,651,422)	(676,517,219)
Net cash generated from 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	**48,508,109**	**23,520,313**
Cash and cash equivalents at the end of the year comprise of:		
Cash on hand	1,537,514	2,367,697
Balances with banks in current accounts	46,970,595	21,152,616
	48,508,109	**23,520,313**

Note: The above cash flow statement has been prepared under 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement' notified by Central Government of India.

The notes referred above form an integral part of the financial statements

As per our report of even date attached

For Suresh Surana & Associates LLP
Chartered Accountants

For and on behalf of the Board of Directors

Madhukar Khandekar
Partner
Membership No. 13912

A. K. Mittal
Managing Director
DIN: 00698377

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

Place : Mumbai
Date : May 06, 2017

Place : Mumbai
Date : May 06, 2017

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

NOTE 1.

SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with accounting principles generally accepted in India in compliance with the provisions of the Companies Act, 2013 (the 'Act') including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India are also considered, wherever applicable.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of the Accounting Standard (AS) 3 Cash Flow Statements. The disclosure requirements with respect to items in the Balance Sheet and the Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

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.

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 FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 2		
SHARE CAPITAL		
Authorised		
30,000,000 (previous year 30,000,000) Equity shares of ₹ 10 each	300,000,000	300,000,000
	300,000,000	**300,000,000**
Issued, subscribed and paid up		
23,293,750 (previous year 21,950,000) Equity shares of ₹ 10 each fully paid up	232,937,500	219,500,000
	232,937,500	**219,500,000**

a) Reconciliation of the shares outstanding at the beginning and at the year end

Equity shares	As at 31.03.2017		As at 31.03.2016	
	Number of shares	Amount in ₹	Number of shares	Amount in ₹
Shares outstanding at the beginning of the year	21,950,000	219,500,000	19,950,000	199,500,000
Add : Shares issued during the year	1,343,750	13,437,500	2,000,000	20,000,000
Shares outstanding at the end of the year	**23,293,750**	**232,937,500**	**21,950,000**	**219,500,000**

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

During the year, the Company has issued 1,343,750 (Previous Year 2,000,000) equity shares of face value of ₹ 10 per share to its holding company, A. K. Capital Services Limited which would rank pari passu with the existing equity share capital.

In the event of the liquidation of the Company, the holder 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 the number of equity shares held by the shareholders.

c) Shares held by the holding company	As at 31.03.2017 ₹	As at 31.03.2016 ₹
22,997,490 (Previous year 21,653,740) Equity shares of ₹ 10 per share	**229,974,900**	**216,537,400**

d) Details of shareholders holding more than 5% shares in the Company

Number of shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of shares held	% of Holding in the class	No. of shares held	% of Holding in the class
A. K. Capital Services Limited	**22,997,490**	**98.73**	**21,653,740**	**98.65**

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

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 3		
RESERVES AND SURPLUS		
Special reserve*		
Opening balance	159,992,531	115,992,531
Add: Current year transfer	63,000,000	44,000,000
Closing balance (A)	**222,992,531**	**159,992,531**
Securities premium account		
Opening balance	2,530,625,000	2,250,625,000
Add: Additions during the year	201,562,500	280,000,000
Closing balance (B)	**2,732,187,500**	**2,530,625,000**
Surplus		
Opening balance	624,804,500	452,851,794
Add: Net profit for the current year	310,900,004	215,952,706
Less: Transfer to special reserve	63,000,000	44,000,000
Closing balance (C)	**872,704,504**	**624,804,500**
Total (A + B + C)	**3,827,884,535**	**3,315,422,031**

*Special Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 ("the RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-banking Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purpose specified by the RBI.

NOTE 4		
LONG TERM BORROWINGS		
Secured		
Term Loans		
From Banks*	1,325,000,000	1,254,250,000
From non-banking financial company (NBFC)**	63,236,766	68,837,120
Vehicle Loans		
From Banks***	10,034,962	256,916
Redeemable Non-Convertible Debentures ****	2,350,000,000	-
(Refer Note 27)	**3,748,271,728**	**1,323,344,036**

* Loan against receivables from bank is repayable in 8 to 16 quarterly installments along with interest from the date of loan. The loans are secured by Pari- passu first charge by way of hypothecation/assignment of assets financed including current and future receivables of the Company.

** Housing loan from NBFC is repayable in 180 equated monthly installments along with interest from the date of loan. The loans are secured by mortgage of premises at Delhi, purchased there against.

*** Vehicle loans from bank is repayable in 36 to 60 equated monthly installments along with interest from the date of loan. The loans are secured by hypothecation of motor vehicle purchased there against.

**** Secured by a first charge over the "business assets" of the Company and a Pari-passu charge over the immovable property of the Company. However, the Company is in process of creating charge on the same.

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

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 5		
LONG TERM PROVISIONS		
Provision for employee benefits		
Gratuity (unfunded)	3,002,195	1,967,662
Others		
Contingent Provisions against standard assets	3,186,103	2,940,537
	6,188,298	**4,908,199**
NOTE - 6		
DEFERRED TAX (ASSETS) / LIABILITIES (NET)		
Deferred tax liabilities:		
Timing difference arising on account of :		
Depreciation	7,239,852	5,342,479
	7,239,852	**5,342,479**
Less: Deferred tax assets:		
Timing difference arising on account of :		
Expenses disallowed under section 35D	-	83,336
Expenses allowable on payment basis (gratuity)	1,064,389	696,526
	1,064,389	**779,862**
Net deferred tax (asset) / liability (net)	**6,175,463**	**4,562,617**
NOTE - 7		
SHORT TERM BORROWINGS		
Secured		
Loans repayable on demand		
from banks		
Working capital demand loan*	4,969,635,968	4,645,912,333
from Others		
Clearing Corporation of India Limited**	4,195,000,000	5,745,000,000
Repo Account (Refer note no. 26(c)) ***	1,828,600,600	-
Unsecured		
Commercial Paper	978,709,733	-
	11,971,946,301	**10,390,912,333**

* (a) Working capital demand loan is secured against pledge/lien on government securities and other debt securities, corporate guarantee of the holding company, A. K. Capital Services Limited and demand promissory note. The above loan is repayable on demand.

* (b) Loan against receivables is secured by Pari- passu first charge by way of hypothecation/ assignment of assets financed including current and future receivables of the company

**Loan from Clearing Corporation of India Limited is secured against lien on government securities and cash deposit.

*** Secured against corporate debt securities under repo transaction.

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

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 8		
TRADE PAYABLES		
Total outstanding dues of micro, small & medium enterprises(Refer note no 35)	-	-
Total outstanding dues of creditors other than micro, small & medium enterprises	6,828,224	3,102,185
	6,828,224	**3,102,185**
NOTE - 9		
OTHER CURRENT LIABILITIES		
Current maturities of Long term debt - from Banks (Refer note no 4)	682,078,803	306,743,689
Current maturities of Long term debt - from NBFC (Refer note no 4)	4,702,017	2,149,047
Interest accrued and due on borrowings	6,574,495	2,980,343
Interest accrued and but not due on borrowings	13,297,336	3,671,602
Employees dues	6,109,085	5,035,628
Statutory dues	2,850,689	6,358,415
Sundry creditors for capital goods	48,445	-
Other payable	1,810	6,028
	715,662,680	**326,944,752**
NOTE - 10		
SHORT TERM PROVISIONS		
Provision for employee benefits		
Gratuity (unfunded)	73,364	44,955
Leave encashment	558,544	446,197
	631,908	**491,152**
Others		
Contingent Provisions against standard assets	8,722,245	5,330,578
Provision for taxation		
(Net of Advance Tax ₹ Nil Previous Year ₹ 201,680,260)	-	18,444,507
	8,722,245	**23,775,085**
	9,354,153	**24,266,237**

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

NOTE - 11
FIXED ASSETS

(Amount in ₹)

	Tangible Assests						Intangible assests
Particulars	**Computers**	**Office Equipments**	**Furniture and Fixtures**	**Building**	**Vehicles**	**Total**	**Software**
Cost							
As at 01/04/2015	2,211,748	651,837	1,336,141	77,040,100	17,174,520	98,414,346	**2,927,779**
Additions	-	302,918	822,278	-	-	1,125,196	205,975
Deductions / adjustments	-	-	-	-	7,557,200	7,557,200	-
As at 31/03/2016	**2,211,748**	**954,755**	**2,158,419**	**77,040,100**	**9,617,320**	**91,982,342**	**3,133,754**
Depreciation							
As at 31/03/2015	530,108	166,400	96,056	1,297,710	3,870,846	5,961,120	**2,267,967**
Charge for the year	439,640	190,296	148,402	1,287,468	1,956,008	4,021,814	404,084
Deductions / adjustments	-	-	-	-	2,663,307	2,663,307	-
Upto 31/03/2016	**969,748**	**356,696**	**244,458**	**2,585,178**	**3,163,547**	**7,319,627**	**2,672,051**
Net block							
As at 31/03/2016	**1,242,000**	**598,059**	**1,913,961**	**74,454,922**	**6,453,773**	**84,662,715**	**461,703**
Cost							
As at 01/04/2016	2,211,748	954,755	2,158,419	77,040,100	9,617,320	91,982,342	3,133,754
Additions	266,951	374,683	2,637,105	18,897,500	16,800,297	38,976,536	347,353
Deductions / adjustments	-	-	-	-	-	-	-
As at 31/03/2017	**2,478,699**	**1,329,438**	**4,795,524**	**95,937,600**	**26,417,617**	**130,958,878**	**3,481,107**
Depreciation							
As at 31/03/2016	969,748	356,696	244,458	2,585,178	3,163,547	7,319,627	2,672,051
Charge for the year	397,045	227,506	329,964	1,291,714	2,514,776	4,761,005	313,955
Deductions / adjustments	-	-	-	-	-	-	-
Upto 31/03/2017	**1,366,793**	**584,202**	**574,422**	**3,876,892**	**5,678,323**	**12,080,632**	**2,986,006**
Net block							
As at 31/03/2017	**1,111,906**	**745,236**	**4,221,102**	**92,060,708**	**20,739,294**	**118,878,246**	**495,101**

Notes:

1) Vehicles include vehicles hypothecated against loan taken having gross block of ₹ 18,247,489 (as at 31.3.2016 ₹ 1,447,192),accumulated deprecation of ₹ 1,729,321 (as at 31.3.2016 ₹ 270,544) and net block of ₹ 16,518,167 (as at 31.3.2016 ₹ 1,176,648).

2) Building include premises hypothecated against loan taken having gross block of ₹ 77,040,100 (as at 31.3.2016 ₹ 77,040,100), accumulated deprecation of ₹ 3,869,126 (as at 31.3.2016 ₹ 2,585,178) and net block of ₹ 73,170,974 (as at 31.3.2016 ₹ 74,454,922).

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

NOTE - 12 NON CURRENT INVESTMETS	Face Value	As at 31.03.2017		As at 31.03.2016	
	₹	Number	₹	Number	₹
Quoted - others - Fully paid up					
Equity Shares of Bank of Maharashtra **	10	-	-	319,247	15,565,411
Equity shares of EIH Ltd.	2	-	-	8,862	935,143
Equity shares of Electrosteel Castings Ltd. **	1	-	-	493,000	21,653,250
Equity shares of GMR Infrastructure Ltd.**	1	-	-	2,297,156	63,966,606
Equity shares of HDFC Limited	2	-	-	2,171	2,681,018
Equity shares of Indiabulls Real Estate Ltd. **	2	-	-	42,000	5,265,248
Equity shares of Indiabulls Wholesale Services Ltd.**	2	-	-	5,250	505,827
Equity shares of Rattanindia Infrastructure Limited (formerly known as Indiabulls Infrastructure and Power Ltd) **	2	-	-	123,900	583,532
Equity shares of Indian Overseas Bank **	10	-	-	110,000	8,118,211
Equity shares of Jaiprakash Associates Ltd. **	2	-	-	21,000	2,339,085
Equity shares of Peninsula Land Ltd.**	2	-	-	33,116	1,885,373
Equity shares of Reliance Defence and Engineering Ltd. (formerly known as Pipavav Defence and Offshore Engineering Ltd.)**	10	-	-	95,999	7,891,779
Equity shares of Punj Lloyd Ltd.**	2	-	-	599,182	51,588,888
Equity shares of Sujana Metal Products Ltd.**	5	-	-	340,066	3,305,442
Equity shares of Sujana Towers Ltd.**	10	-	-	5,000	2,041,995
Equity shares of UCO Bank Ltd.**	10	-	-	2,503,683	269,783,137
Equity Shares of Union Bank of India	10	-	-	604,256	86,603,120
Equity shares of Uflex Ltd.	10	-	-	6,050	1,548,228
Equity shares of Vijaya Bank**	10	-	-	246,887	13,099,855
Equity shares of Welspun Enterprises Ltd. * **	10	-	-	39,456	9,572,633
Total (A)			**-**		**568,933,781**
Unquoted - others- Fully paid up					
Equity Shares of Neesa Leisure Ltd.	10	250,000	63,900,000	250,000	63,900,000
Total (B)			**63,900,000**		**63,900,000**
Quoted- Non Convertible Debentures - Fully paid up					
16.83% ESAF Microfinance And Investments Private Ltd. 2021	1,000,000	250	250,000,000	-	-
11.45% Vistaar Financial Services Private Limited 2018	1,000,000	200	200,000,000	-	-
11.45% Vistaar Financial Services Private Limited 2020	1,000,000	150	150,000,000	-	-
11.00% Future Consumer Limited 2018	100,000	750	75,000,000	-	-
10.55% Future Consumer Limited 2018	100,000	750	75,000,000	-	-
12.70% Suryoday Micro Finance Limited 2022	100,000	2,500	249,617,250	-	-
11.00% Aspire Housing Finance Corporation Limited 2021 (INE658R08024)	1,000,000	300	300,000,000	-	-
11.00% Aspire Housing Finance Corporation Limited 2021 (INE658R08032)	1,000,000	200	200,020,000		
Total (C)			**1,499,637,250**		**-**
Quoted- Government Securities - Fully paid up					
8.28% Government of India Loan 2032	100	-	-	1,990,000	204,162,259
8.79% Government of India Loan 2021	100	-	-	1,000,000	105,133,600
Total (D)			**-**		**309,295,859**
Total (A+B+C+D)			**1,563,537,250**		**942,129,640**
Aggregate amount of quoted investments					
Equities			-		568,933,781
Non Convertible Debentures			**1,499,637,250**		**-**
Governments Securities			-		309,295,859
Aggregate market value of quoted investments					
Equities			-		263,019,713
Non Convertible Debentures****			1,499,637,250		-
Governments Securities***			-		309,295,859
Aggregate amount of unquoted investments					
Equities			63,900,000		63,900,000

*During the previous year, In the scheme of amalgamation and arrangement, Welspun Enterprises Ltd. ("WEL") have issued 12 equity share of face value of Rs.10 each for every 1 equity share in Welspun Projects Ltd.("WPL"). Subsequently, the name of WPL has been changed to WEL w.e.f. May 29, 2015.

** 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 audited financial statements.

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

****Non Convertible Debentures are valued at cost as the market value is not available.

(Refer note no. 26(A) & (B))

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

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 13		
LONG-TERM LOANS AND ADVANCES		
Security deposits		
Unsecured, considered good	228,960	228,960
Loan to related parties		
Secured, considered good	100,000,000	532,500,000
Loan to other parties *		
Secured, considered good	810,315,075	447,678,890
Advance Income Tax		
(Net of Provision ₹ 274,578,775, Previous Year ₹ Nil)	3,985,556	-
Prepaid expense	16,600	37,400
	914,546,191	**980,445,250**

* Refer note 26(D)

	Face Value ₹	As at 31.03.2017 Number	As at 31.03.2017 ₹	As at 31.03.2016 Number	As at 31.03.2016 ₹
NOTE - 14					
CURRENT INVESTMENTS					
SECURITIES					
Govt Papers -					
6.62% Government of India Loan 2051	100	15,000,000	1,355,700,000	-	-
6.79% Government of India Loan 2029	100	9,000,000	870,330,000	-	-
6.97% Government of India Loan 2026	100	3,000,000	306,084,900	-	-
7.16% Government of India Loan 2023	100	-	-	1,000,000	96,510,000
7.59% Government of India Loan 2029	100	-	-	7,000,000	694,547,500
7.50% Government of India Loan 2034	100	2,000,000	195,200,000	-	-
7.59% Government of India Loan 2026	100	4,500,000	477,642,600	-	-
7.59% Government of India Loan 2029	100	3,500,000	355,485,200	-	-
7.61% Government of India Loan 2030	100	2,500,000	261,427,100	-	-
7.68% Government of India Loan 2023	100	-	-	2,000,000	200,423,750
7.72% Government of India Loan 2025	100	-	-	4,500,000	449,415,400
7.88% Government of India Loan 2030	100	10,000,000	1,036,200,000	14,000,000	1,405,957,350
8.12% Government of India Loan 2020	100	2,500,000	261,307,063	-	-
8.15% Government of India Loan 2026	100	-	-	3,500,000	361,068,250
8.24% Government of India Loan 2033	100	-	-	3,500,000	367,543,750
8.27% Government of India Loan 2020	100	7,500,000	784,491,250	1,000,000	102,122,500
8.28% Government of India Loan 2027	100	-	-	2,500,000	258,712,000
8.40% Government of India Loan 2024	100	-	-	10,000,000	1,035,915,000
8.60% Government of India Loan 2028	100	-	-	14,000,000	1,472,765,000
8.83% Government of India Loan 2041	100	-	-	500,000	52,793,000
TOTAL			**5,903,868,113**		**6,497,773,500**
Aggregate amount of quoted investments					
Governments Securities			5,903,868,113		6,497,773,500
Aggregate market value of quoted investments					
Governments Securities*			5,903,868,113		6,497,773,500

*Government Securities are valued at cost as the market value is not available. (Refer note no. 26(A) & (B))

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

NOTE - 15
INVENTORIES

	Face Value	As at 31.03.2017		As at 31.03.2016	
	₹	Number	₹	Number	₹
Preference shares					
16.06% Infrastructure Leasing & Financial Services Ltd. 25 March 2021	12,500	-	-	50	700,828
17.39% Infrastructure Leasing & Financial Services Ltd. 30 March 2021	15,000	-	-	29,774	446,610,000
TOTAL			**-**		**447,310,828**
Commercial Paper					
0.00% Innoven Capital India Private Ltd 2017	500,000	500	244,513,500	-	-
TOTAL			**244,513,500**		**-**
Bonds & Debentures					
Govt Papers -					
8.39% Rajasthan State Development Loan 2023	100	-	-	500,000	50,525,000
8.17% Tamilnadu State Development Loan 2025	100	-	-	73,000	7,342,340
7.59% Karnataka State Development Loan 2027	100	2,500,000	250,175,000	-	-
7.68% Madhya Pradesh Uday State Development Loan 2023	100	110,000	11,000,000	-	-
7.92% Madhya Pradesh Uday State Development Loan 2024	100	110,000	11,000,000	-	-
8.03% Madhya Pradesh Uday State Development Loan 2025	100	110,000	11,000,000	-	-
7.69% Madhya Pradesh Uday State Development Loan 2026	100	110,000	11,000,000	-	-
7.91% Madhya Pradesh Uday State Development Loan 2027	100	110,000	11,000,000	-	-
8.25% Madhya Pradesh Uday State Development Loan 2028	100	110,000	11,000,000	-	-
8.05% Madhya Pradesh Uday State Development Loan 2029	100	110,000	11,000,000	-	-
8.02% Madhya Pradesh Uday State Development Loan 2030	100	110,000	11,000,000	-	-
8.06% Madhya Pradesh Uday State Development Loan 2031	100	110,000	11,000,000	-	-
7.93% Madhya Pradesh Uday State Development Loan 2032	100	110,000	11,000,000	-	-
7.62% Tamilnadu State Development Loan 2027	100	2,500,000	250,175,000	-	-
TOTAL			**610,350,000**		**57,867,340**
Public Sector Banks					
9.15% Punjab National Bank Perpetual	1,000,000	-	-	5	5,033,000
8.90% Syndicate Bank - Perpetual	1,000,000	-	-	82	85,378,400
10.75% IDBI Bank Ltd. - Perpetual	1,000,000	70	67,313,990	18	17,648,298
11.25% Syndicate Bank - Perpetual	1,000,000	180	184,678,800	150	150,000,000
9.21% Punjab National Bank 2022	1,000,000	400	400,000,000	-	-
10.95% IDBI Bank Limited 2022	1,000,000	190	189,515,000	-	-
11.50% Bank Of India 2026	1,000,000	490	521,667,720	-	-
11.15% Allahabad Bank 2022	1,000,000	318	318,036,000	-	-
9.50% Union Bank Of India 2026	1,000,000	82	85,040,068	-	-
12.00% United Bank Of India 2022	1,000,000	425	425,000,000	-	-
11.60% Bank Of Maharashtra 2021	1,000,000	287	287,008,700	-	-
TOTAL			**2,478,260,278**		**258,059,698**
Public Financial Institution - PSU					
8.46% Rural Electrification Corporation Limited 2028	1,000,000	100	117,024,800	-	-
9.02% Rural Electrification Corporation Limited 2019	1,000,000	20	20,626,000	-	-
7.93% Rural Electrification Corporation Ltd. 2022	1,000	-	-	2,645	2,693,057
8.12% Rural Electrification Corporation Ltd. 2027	1,000	-	-	3,875	4,119,746
8.54% Power Finance Corporation Ltd 2028	1,000	15,000	17,513,126	-	-
8.30% Power Finance Corporation Ltd. 2027	1,000	-	-	8,859	9,530,854
8.54% Power Finance Corporation Ltd. 2028	1,000	-	-	50,000	55,618,900
7.64% Indian Railway Finance Corporation Ltd. 2031	1,000	-	-	22,000	22,745,949
7.50% Indian Railway Finance Corporation Ltd. 2035	1,000	-	-	11,990	11,984,776
8.63% Indian Railway Finance Corporation Ltd. 2029	1,000	-	-	5,000	5,622,726
8.83% Indian Railway Finance Corporation Ltd. 2023	1,000,000	-	-	130	136,014,684
8.40% Indian Railway Finance Corporation Limited 2029	1,000	5,350	6,212,887	-	-
7.15% Indian Railway Finance Corporation Limited 2025	1,000,000	30	31,567,890	-	-
7.35% Indian Railway Finance Corporation Limited 2031	1,000	2,351	2,553,971	-	-
7.28% Indian Railway Finance Corporation Ltd. 2035	1,000	-	-	2,997	3,006,359

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

NOTE - 15
INVENTORIES (Contd.)

	Face Value	As at 31.03.2017		As at 31.03.2016	
	₹	Number	₹	Number	₹
7.64% National Bank for Agriculture & Rural Development 2031	1,000	-	-	221,000	223,306,359
7.69% National Bank For Agriculture & Rural Development 2032	1,000,000	250	250,000,000	-	-
0.00% National Bank For Agriculture & Rural Development 2018	20,000	150	2,788,310	-	-
8.35% National Insurance Company Limited 2027	1,000,000	176	176,000,000	-	-
7.53% Indian Renewable Energy Development Agency Ltd. 2029	1,000	-	-	1,280	1,271,569
7.17% Indian Renewable Energy Development Agency Ltd. 2025	1,000,000	20	20,904,400	-	-
7.49% Indian Renewable Energy Development Agency Ltd. 2031	1,000	6,812	7,442,403	-	-
7.22% Indian Renewable Energy Development Agency Ltd. 2027	1,000,000	150	150,065,400	-	-
8.55% India Infrastructure Finance Company Ltd. 2037	1,000	-	-	150	163,794
7.34% Housing And Urban Development Corporation Ltd. 2023	1,000	-	-	500	502,842
7.51% Housing And Urban Development Corporation Ltd. 2028	1,000	-	-	8,115	8,351,030
8.14% Housing And Urban Development Corporation Ltd. 2023	1,000	-	-	500	524,916
8.76% Housing And Urban Development Corporation Ltd. 2034	1,000	-	-	7,145	8,186,465
8.51% Housing And Urban Development Corporation Ltd 2028	1,000	750	873,966	-	-
7.19% Housing And Urban Development Corporation Ltd 2025	1,000,000	20	21,010,000	-	-
7.02% Housing And Urban Development Corporation Ltd 2026	1,000	50,000	51,981,200	-	-
7.39% Housing And Urban Development Corporation Ltd 2031	1,000	3,504	3,817,832	-	-
7.39% Housing And Urban Development Corporation Ltd 2031	1,000	3,012	3,282,845	-	-
8.26% India Infrastructure Finance Company Limited 2023	1,000	700	751,480	-	-
TOTAL			**884,416,510**		**493,644,026**
Public Financial Institution - Non- PSU					
9.35% Family Credit Limited 2026	1,000,000	-	-	17	17,000,000
9.35% Family Credit Limited 2026	1,000,000	-	-	6	6,000,000
TOTAL			**-**		**23,000,000**
Other Bonds - PSU					
8.20% National Highways Authority Of India 2022	1,000	-	-	32,461	33,881,461
7.35% National Highways Authority Of India 2031	1,000	104,996	114,856,803	5,000	5,072,863
7.60% National Highways Authority Of India 2031	1,000	-	-	10,000	10,314,264
7.39% National Highways Authority Of India 2031	1,000	3,469	3,780,499	-	-
8.48% NTPC Limited 2028	1,000	2,807	3,272,120	-	-
7.93% Power Grid Corporation Of India Ltd. 2019	1,000,000	-	-	50	51,816,800
7.93% Power Grid Corporation Of India Ltd. 2021	1,000,000	-	-	50	52,010,350
7.93% Power Grid Corporation Of India Ltd. 2022	1,000,000	-	-	50	51,742,500
7.93% Power Grid Corporation Of India Ltd. 2023	1,000,000	-	-	35	36,296,190
7.93% Power Grid Corporation Of India Ltd. 2024	1,000,000	-	-	50	51,143,350
7.93% Power Grid Corporation Of India Ltd. 2025	1,000,000	-	-	50	51,200,750
7.93% Power Grid Corporation Of India Ltd. 2026	1,000,000	-	-	50	51,205,900
7.93% Power Grid Corporation Of India Ltd. 2027	1,000,000	-	-	50	51,145,000
7.93% Power Grid Corporation Of India Ltd. 2028	1,000,000	-	-	50	50,625,000
8.69% Damodar Valley Corporation 2028	1,000,000	-	-	250	268,596,250
TOTAL			**121,909,422**		**765,050,678**
Other Bonds - Non PSU					
9.55% Aadhar Housing Finance Limited 2026	1,000,000	-	-	184	184,000,000
11.00% Ashiana Housing Limited 2017	100,000	-	-	1,000	100,000,000
11.00% Ashiana Housing Limited 2018	100,000	1,000	100,000,000	1,000	100,000,000
11.45% Ashiana Housing Limited 2020	100,000	700	70,056,000	-	-
11.00% Aspire Housing Finance Corporation Ltd. 2021 (INE658R08024)	1,000,000	-	-	300	300,000,000
11.00% Aspire Housing Finance Corporation Ltd. 2021 (INE658R08032)	1,000,000	-	-	150	150,010,000
11.75% Capital Small Finance Bank 2031	100,000	532	53,185,000	2,255	225,500,000
9.95% Classic Mall Development Company Private Ltd. 2022	1,000,000	-	-	150	150,791,700
10.00% Dewan Housing Finance Corporation Ltd. 2017	100,000	43	4,874,395	43	4,874,395
10.70% Dewan Housing Finance Corporation Ltd. 2021	1,000,000	7	7,196,700	9	9,252,900
11.15% Dewan Housing Finance Corporation Ltd. 2018	1,000,000	35	36,071,000	50	51,530,000
11.20% Dewan Housing Finance Corporation Ltd. 2022	1,000,000	49	53,076,800	50	54,160,000
9.25% Dewan Housing Finance Corporation Ltd. 2023	1,000	3,000	2,999,400	-	-
10.75% Dewan Housing Finance Corporation Ltd. 2026	1,000,000	18	18,000,036	-	-

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

NOTE - 15
INVENTORY(Contd.)

	Face Value	As at 31.03.2017		As at 31.03.2016	
	₹	Number	₹	Number	₹
16.83% ESAF Microfinance And Investments Private Ltd. 2021	1,000,000	-	-	250	250,000,000
11.25% Fullerton India Credit Company Ltd. 2018	1,000,000	54	55,414,800	54	55,414,800
00.00% Indiabulls Real Estate Ltd. 2016	1,000,000	-	-	250	250,000,000
10.00% Indiabulls Real Estate Ltd 2022	1,000,000	25	25,102,500	-	-
10.50% Indiabulls Real Estate Ltd. 2018	1,000,000	-	-	150	150,000,000
11.50% Indiabulls Real Estate Ltd. 2020	1,000,000	350	353,411,600	-	-
11.75% Indiabulls Real Estate Ltd. 2017	1,000,000	-	-	7	7,000,000
11.80% Indiabulls Real Estate Ltd. 2018	1,000,000	18	18,001,600	33	33,001,600
9.70% JM Financial Credit Solutions Limited 2021	1,000,000	-	-	8	8,000,000
9.70% JM Financial Credit Solutions Limited 2021	1,000,000	-	-	48	48,000,000
12.10% Magma Fincorp Ltd. - Perpetual	500,000	-	-	32	16,000,000
9.85% Shriram Transport Finance Company Ltd. 2021	1,000,000	19	19,330,600	70	71,218,000
11.00% Sobha Limited 2017	100,000	1,450	145,000,000	2,000	200,000,000
11.25% Sobha Limited 2018 (INE671H07244)	100,000	924	92,400,000	1,500	150,000,000
11.25% Sobha Limited 2018 (INE671H07285)	100,000	1,143	114,322,860	-	-
11.25% Sobha Limited 2018 (INE671H07293)	100,000	200	20,008,000	-	-
11.40% Sobha Limited 2020	100,000	500	50,095,000	-	-
12.00% Sobha Limited 2017 (INE671H07202)	100,000	260	26,009,200	60	6,001,200
12.00% Sobha Limited 2017 (INE671H07228)	100,000	500	50,415,000	500	50,415,000
12.00% Sobha Limited 2018 (INE671H07210)	100,000	163	16,303,360	200	20,004,000
12.00% Sobha Limited 2018 (INE671H07186)	100,000	10	987,500	-	-
11.75% Sunteck Reality Limited 2017	100,000	-	-	1,500	150,010,000
11.75% Sunteck Reality Limited 2018	100,000	415	41,508,300	400	40,008,000
11.75% Sunteck Reality Limited 2019	100,000	1,000	100,012,200	1,000	100,000,000
11.40% The Tata Power Company Ltd. - Perpeutal	1,000,000	-	-	6	6,336,529
11.50% Tata Steel Limited 2021	1,000,000	1	1,057,727	-	-
9.50% Indusind Bank Limited 2022	1,000,000	500	496,990,000	-	-
12.37% Peninsula Land Limited 2018	100,000	111	11,102,220	-	-
9.15% Indiabulls Housing Finance Limited 2026	1,000	196,205	196,887,597	-	-
9.15% Reliance Home Finance Limited 2027	1,000	22,000	21,540,613	-	-
11.00% Future Consumer Limited 2019	100,000	750	75,000,000	-	-
11.00% Future Consumer Limited 2020	100,000	130	13,000,000	-	-
10.55% Future Consumer Limited 2019	100,000	750	75,000,000	-	-
10.55% Future Consumer Limited 2020	100,000	940	94,000,000	-	-
9.80% Future Enterprises Limited 2023 (INE623B07412)	1,000,000	7	7,000,000	-	-
9.80% Future Enterprises Limited 2023 (INE623B07453)	1,000,000	10	9,984,250	-	-
9.50% Future Enterprises Limited 2021	1,000,000	9	9,000,000	-	-
10.75% The Tata Power Company Limited 2072	1,000,000	2	2,081,838	-	-
0.00% Andhra Pradesh Expressway Limited 2024	1,000,000	150	258,061,350	-	-
8.75% Muthoot Finance Limited 2019	1,000	36,189	35,842,707	-	-
9.00% Muthoot Finance Limited 2020	1,000	250,629	252,549,468	-	-
9.00% Muthoot Finance Limited 2022	1,000	48,626	48,694,271	-	-
10.70% Sintex Industries Limited 2021	1,000,000	250	252,714,250	-	-
9.85% DCB Bank Limited 2026	100,000	3,759	375,829,629	-	-
12.25% Asirvad Microfinance Limited 2018	100,000	85	8,500,000	-	-
12.25% Asirvad Microfinance Limited 2019	100,000	260	26,000,000	-	-
12.80% Asirvad Microfinance Limited 2018	100,000	318	31,965,360	-	-
12.80% Asirvad Microfinance Limited 2019 (INE516Q08109)	100,000	53	5,300,000	-	-
12.80% Asirvad Microfinance Limited 2019 (INE516Q08117)	100,000	328	32,970,560	-	-
9.50% Yes Bank Ltd 2021	1,000,000	500	497,648,000	-	-
9.75% Srei Equipment Finance Limited 2022	1,000	100,500	100,752,456	-	-
9.40% DHFL Vysya Housing Finance Limited 2026	1,000,000	86	86,017,200	-	-
10.05% Indostar Capital Finance Private Limited 2021	10,000,000	30	308,492,700	-	-
Reliance Mutual Fund R Shares Long Term Gilt Etf GILT	10	544,830	8,616,031	-	-
TOTAL			**4,816,380,078**		**2,941,528,124**
GRAND TOTAL			**9,155,829,788**		**4,986,460,694**
(Refer note no. 26(A))					

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

	As at 31.03.2017 ₹	As at 31.03.2016 ₹
NOTE - 16		
TRADE RECEIVABLES		
Trade receivables outstanding for a period less than six months from the date they are due for payment	161,269,833	171,394,051
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
	161,269,833	**171,394,051**
NOTE - 17		
CASH AND CASH EQUIVALENTS		
Cash on hand	1,537,514	2,367,697
Balance with banks in current accounts	46,970,595	21,152,616
	48,508,109	**23,520,313**
NOTE - 18		
SHORT TERM LOANS AND ADVANCES		
Loan to related parties		
Secured, considered good	50,000,000	-
Loan to other parties		
Secured, considered good	1,596,695,762	1,262,262,976
Unsecured, considered good	50,000,000	69,399,977
Deposits		
- with Directors	10,000,000	20,000,000
- with Related parties	15,000,000	5,000,000
- with Others	6,840,000	6,340,000
Balances with the government authorities	379,335	77,640
Other advances	60,926	80,083
Prepaid expense	4,717,763	6,588,415
	1,733,693,786	**1,369,749,091**
NOTE - 19		
OTHER CURRENT ASSETS		
Secured, considered good		
- Current maturities of long term loans and advances to other parties *	712,051,026	418,284,510
- Interest accrued and due on loans to related party	2,689,348	-
- Interest accrued and due on loans to others	6,456,107	29,375
- Interest accrued and but not due on loans to related party	-	275,918
- Interest accrued and but not due on loans to others	74,177,746	22,514,228
Unsecured, considered good		
- Interest accrued and but not due on loans to others	-	4,092,506
- Advance recoverable in cash or kind or for value to be received	2,325,125	641,838
Interest accrued but not due on Non-Current Investments	29,203,766	-
Interest accrued but not due on Current Investments	97,719,347	110,527,058
	924,622,465	**556,365,433**

* Refer note 26(D)

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

	Current Year ₹	Previous Year ₹
NOTE - 20		
REVENUE FROM OPERATIONS		
Interest	377,487,312	246,628,396
- From loans	359,302,911	220,075,589
- From debt securities	**736,790,223**	**466,703,985**
Other operating income (Refer note no. 25)	194,468,589	128,821,473
Other Financial Services- Investment Income		
- Profit on sale of Investments	77,183,870	76,694,896
- Profit on liquid fund	192,765	-
- Interest received on current investments	406,044,669	427,215,136
- Interest received on non-current investments	120,007,667	78,365,596
- Dividend income from non-current investments	1,470,275	6,858,172
	604,899,246	**589,133,800**
TOTAL	**1,536,158,058**	**1,184,659,258**
NOTE - 21		
OTHER INCOME		
Other non operating income	-	112,363
	-	**112,363**
NOTE - 22		
EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	98,827,792	104,842,020
Employers contribution to provident fund	1,108,793	1,181,981
Staff welfare expenses	1,023,172	868,475
	100,959,757	**106,892,476**
NOTE - 23		
FINANCE COSTS		
Interest expenses	817,871,308	679,938,184
Interest on income tax	2,854,073	1,045,437
Others borrowing costs	9,869,282	15,968,620
	830,594,663	**696,952,241**
NOTE - 24		
OTHER EXPENSES		
Rent	17,320,100	15,989,464
Rates and taxes	1,008,855	4,227,320
Traveling expenses	5,608,630	5,575,380
Auditor's remuneration		
for audit fees	276,482	160,500
for other services	25,247	18,865
Repair and maintenance		
- Others	1,510,033	719,634
Incentive expenses	34,902,502	18,310,213
Loss on sale of fixed assets	-	1,293,893
CSR expenditure (Refer note 36)	10,000,000	-
Professional fees	5,176,098	3,328,273
Bad debts	386,200	-
Business promotion expenses	3,341,141	4,572,192
Miscellaneous expenses	17,715,330	19,178,390
	97,270,618	**73,374,124**

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

	Current Year ₹	Previous Year ₹
NOTE 25		
OTHER OPERATING INCOME		
(a) Syndication and other fees	**140,405,684**	**107,356,500**
(b) Trading in Shares and Securites		
Sale of securities	100,141,534,427	56,445,416,679
Add: Closing inventory	9,155,829,788	4,986,460,694
Add: Transfer to Non Current Investments	950,010,000	-
Less: Opening inventory	4,986,460,694	2,454,487,398
Less: Transfer from Non Current Investments	180,393,664	-
Less: Purchase of securities	105,026,456,952	58,955,925,002
Profit from trading in securities	**54,062,905**	**21,464,973**
Other operating Income (a+b)	**194,468,589**	**128,821,473**

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

NOTE - 26

THE DETAILS OF SECURITIES PLEDGED / LIEN / LENT ARE AS UNDER :

A - With Banks Name of securities	As at 31.03.2017 Number	 ₹	As at 31.03.2016 Number	 ₹
00.00% Indiabulls Real Estate Ltd. 2016	-	-	250	250,000,000
10.00% Dewan Housing Finance Corporation Ltd. 2017	-	-	43	4,874,395
10.05% Indostar Capital Finance Private Limited 2021	30	308,492,700	-	-
10.50% Indiabulls Real Estate Ltd. 2018	-	-	150	150,000,000
10.55% Future Consumer Limited 2018	750	75,000,000	-	-
10.55% Future Consumer Limited 2019	750	75,000,000	-	-
10.55% Future Consumer Limited 2020	900	90,000,000	-	-
10.70% Dewan Housing Finance Corporation Ltd. 2021	7	7,196,700	9	9,252,900
10.70% Sintex Industries Limited 2021	250	252,714,250	-	-
10.75% Dewan Housing Finance Corporation Limited 2026	18	18,000,036	-	-
10.75% IDBI Bank Ltd. - Perpetual	60	57,697,706	17	16,667,837
11.00% Ashiana Housing Limited 2017	-	-	1,000	100,000,000
11.00% Ashiana Housing Limited 2018	-	-	1,000	100,000,000
11.00% Aspire Housing Finance Corporation Limited 2021	-	-	300	300,000,000
11.00% Aspire Housing Finance Corporation Limited 2021	-	-	150	150,010,000
11.00% Future Consumer Limited 2018	750	75,000,000	-	-
11.00% Future Consumer Limited 2019	750	75,000,000	-	-
11.00% Future Consumer Limited 2020	120	12,000,000	-	-
11.00% Sobha Limited 2017	1,450	145,000,000	2,000	200,000,000
11.15% Allahabad Bank 2022	60	60,006,792	-	-
11.15% Dewan Housing Finance Corporation Ltd. 2018	35	36,071,000	50	51,530,000
11.20% Dewan Housing Finance Corporation Ltd. 2022	49	53,076,800	50	54,160,000
11.25% Fullerton India Credit Company Ltd. 2018	4	4,104,800	54	55,414,800
11.25% Sobha Limited 2018 (INE671H07244)	924	92,400,000	1,500	150,000,000
11.25% Sobha Limited 2018 (INE671H07285)	1,093	109,321,860	-	-
11.25% Sobha Limited 2018 (INE671H07293)	200	20,008,000	-	-
11.25% Syndicate Bank - Perpetual	-	-	150	150,000,000
11.45% Ashiana Housing Limited 2020	700	70,056,000	-	-
11.45% Vistaar Financial Services Private Limited 2018	200	200,000,000	-	-
11.45% Vistaar Financial Services Private Limited 2020	150	150,000,000	-	-
11.50% Bank Of India 2026	490	521,667,720	-	-
11.75% Capital Small Finance Bank 2031	530	52,985,056	2,250	225,000,000
11.75% Indiabulls Real Estate Ltd. 2017	-	-	7	7,000,000
11.75% Sunteck Reality Limited 2017	-	-	1,500	150,010,000
11.75% Sunteck Reality Limited 2018	215	21,504,300	400	40,008,000
11.75% Sunteck Reality Limited 2019	1,000	100,012,200	1,000	100,000,000
11.80% Indiabulls Real Estate Ltd. 2018	-	-	31	31,001,503
12.00% Sobha Limited 2017 (INE671H07202)	260	26,009,200	45	4,500,900
12.00% Sobha Limited 2017 (INE671H07228)	500	50,415,000	500	50,415,000
12.00% Sobha Limited 2018 (INE671H07210)	153	15,303,154	200	20,004,000
12.00% United Bank Of India 2022	175	175,000,000	-	-
12.10% Magma Fincorp Ltd. - Perpetual	-	-	32	16,000,000
12.25% Asirvad Microfinance Limited 2018	65	6,500,000	-	-
12.25% Asirvad Microfinance Limited 2019	255	25,500,000	-	-
12.37% Peninsula Land Limited 2018	110	11,002,200	-	-
12.80% Asirvad Microfinance Limited 2018	318	31,965,360	-	-
12.80% Asirvad Microfinance Limited 2019 (INE516Q08117)	328	32,970,560	-	-
16.83% ESAF Microfinance And Investments Private Limited 2021	-	-	250	250,000,000
7.02% Housing And Urban Development Corporation Ltd 2026	50,000	51,981,200	-	-
7.15% Indian Railway Finance Corporation Limited 2025	30	31,567,890	-	-
7.35% National Highways Authority Of India 2031	100,000	109,391,599	4,500	4,565,577
7.50% Indian Railway Finance Corporation Ltd. 2035	-	-	11,990	11,984,776
7.51% Housing And Urban Development Corporation Ltd. 2028	-	-	7,500	7,718,142
7.59% Karnataka State Development Loan 2027	2,500,000	250,175,000	-	-
7.60% National Highway Authority Of India 2031	-	-	7,500	7,735,698
7.62% Tamilnadu State Development Loan 2027	2,500,000	250,175,000	-	-

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

NOTE - 26 (Contd.)

THE DETAILS OF SECURITIES PLEDGED / LIEN / LENT ARE AS UNDER :

A - With Banks Name of securities	As at 31.03.2017 Number	₹	As at 31.03.2016 Number	₹
7.64% Indian Railway Finance Corporation Ltd. 2031	-	-	22,000	22,745,949
7.64% National Bank for Agriculture and Rural Development 2031	-	-	221,000	223,306,359
7.68% Madhya Pradesh Uday State Development Loan 2023	110,000	11,000,000	-	-
7.69% Madhya Pradesh Uday State Development Loan 2026	110,000	11,000,000	-	-
7.69% National Bank For Agriculture And Rural Development 2032	250	250,000,000	-	-
7.91% Madhya Pradesh Uday State Development Loan 2027	110,000	11,000,000	-	-
7.92% Madhya Pradesh Uday State Development Loan 2024	110,000	11,000,000	-	-
7.93% Madhya Pradesh Uday State Development Loan 2032	110,000	11,000,000	-	-
7.93% Power Grid Corporation Of India Ltd. 2019	-	-	50	51,816,800
7.93% Power Grid Corporation Of India Ltd. 2021	-	-	50	52,010,350
7.93% Power Grid Corporation Of India Ltd. 2022	-	-	50	51,742,500
7.93% Power Grid Corporation Of India Ltd. 2023	-	-	35	36,296,190
7.93% Power Grid Corporation Of India Ltd. 2024	-	-	50	51,143,350
7.93% Power Grid Corporation Of India Ltd. 2025	-	-	50	51,200,750
7.93% Power Grid Corporation Of India Ltd. 2026	-	-	50	51,205,900
7.93% Power Grid Corporation Of India Ltd. 2027	-	-	50	51,145,000
7.93% Power Grid Corporation Of India Ltd. 2028	-	-	50	50,625,000
7.93% Rural Electrification Corporation Ltd. 2022	-	-	2,600	2,647,239
8.02% Madhya Pradesh Uday State Development Loan 2030	110,000	11,000,000	-	-
8.03% Madhya Pradesh Uday State Development Loan 2025	110,000	11,000,000	-	-
8.05% Madhya Pradesh Uday State Development Loan 2029	110,000	11,000,000	-	-
8.06% Madhya Pradesh Uday State Development Loan 2031	110,000	11,000,000	-	-
8.12% Rural Electrification Corporation Ltd. 2027	-	-	3,400	3,614,745
8.17% Tamilnadu State Development Loan 2025	-	-	73,000	7,342,340
8.20% National Highway Authority of India 2022	-	-	32,461	33,881,461
8.25% Madhya Pradesh Uday State Development Loan 2028	110,000	11,000,000	-	-
8.30% Power Finance Corporation Ltd. 2027	-	-	8,300	8,929,460
8.39% Rajasthan State Development Loan 2023	-	-	500,000	50,525,000
8.46% Rural Electrification Corporation Limited 2028	100	117,024,800	-	-
8.54% Power Finance Corporation Ltd. 2028	-	-	50,000	55,618,900
8.63% Indian Railway Finance Corporation Ltd. 2029	-	-	5,000	5,622,726
8.69% Damodar Valley Corporation 2028	-	-	250	268,596,250
8.75% Muthoot Finance Limited 2019	36,189	35,842,707	-	-
8.76% Housing And Urban Development Corporation Ltd. 2034	-	-	2,000	2,291,523
8.83% Indian Railway Finance Corporation Ltd. 2023	-	-	130	136,014,684
8.90% Syndicate Bank - Perpetual	-	-	82	85,378,400
9.00% Muthoot Finance Limited 2020	629	633,820	-	-
9.00% Muthoot Finance Limited 2022	48,626	48,694,271	-	-
9.02% Rural Electrification Corporation Limited 2019	20	20,626,000	-	-
9.15% Indiabulls Housing Finance Limited 2026	194,205	194,880,639	-	-
9.15% Punjab National Bank Perpetual	-	-	5	5,033,000
9.25% Dewan Housing Finance Corporation Limited 2023	3,000	2,999,400	-	-
9.35% Family Credit Limited 2026	-	-	6	6,000,000
9.35% Family Credit Limited 2026	-	-	17	17,000,000
9.40% DHFL Vysya Housing Finance Limited 2026	86	86,017,200	-	-
9.50% Union Bank Of India 2026	80	82,965,920	-	-
9.55% Aadhar Housing Finance Limited 2026	-	-	184	184,000,000
9.70% JM Financial Credit Solutions Limited 2021	-	-	8	8,000,000
9.70% JM Financial Credit Solutions Limited 2021	-	-	48	48,000,000
9.75% Srei Equipment Finance Limited 2022	500	501,256	-	-
9.80% Future Enterprises Limited 2023 (INE623B07412)	7	7,000,000	-	-
9.85% DCB Bank Limited 2026	3,700	369,930,734	-	-
9.85% Shriram Transport Finance Company Ltd. 2021	19	19,330,600	70	71,218,000
9.95% Classic Mall Development Company Private Limited 2022	-	-	150	150,791,700
6.79% Government of India Loan 2029	5,000,000	483,516,667	-	-
6.97% Government of India Loan 2026	1,000,000	102,028,300	-	-

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

NOTE - 26

THE DETAILS OF SECURITIES PLEDGED / LIEN / LENT ARE AS UNDER :

A - With Banks Name of securities	As at 31.03.2017 Number	 ₹	As at 31.03.2016 Number	 ₹
7.16% Government of India Loan 2023	-	-	500,000	48,255,000
7.59% Government of India Loan 2029	3,500,000	355,485,200	2,500,000	248,052,679
7.72% Government of India Loan 2025	-	-	1,000,000	99,870,089
7.88% Government of India Loan 2030	5,000,000	518,100,000	-	-
8.27% Government of India Loan 2020	-	-	1,000,000	102,122,500
8.60% Government of India Loan 2028	-	-	2,500,000	262,993,750
8.83% Government of India Loan 2041	-	-	500,000	52,793,000
Total (A)		**6,555,849,597**		**5,325,684,122**
B- With Clearing Corporation of India Ltd.				
6.62% Government of India Loan 2051	15,000,000	1,355,700,000	-	-
6.79% Government of India Loan 2029	4,000,000	386,813,333	-	-
6.97% Government of India Loan 2026	2,000,000	204,056,600	-	-
7.16% Government of India Loan 2023	-	-	500,000	48,255,000
7.50% Government of India Loan 2034	2,000,000	195,200,000	-	-
7.59% Government of India Loan 2026	4,500,000	477,642,600	-	-
7.59% Government of India Loan 2029	-	-	4,500,000	446,494,821
7.61% Government of India Loan 2030	2,500,000	261,427,100	-	-
7.68% Government of India Loan 2023	-	-	2,000,000	200,423,750
7.72% Government of India Loan 2025	-	-	3,500,000	349,545,311
7.88% Government of India Loan 2030	5,000,000	518,100,000	14,000,000	1,405,957,350
8.12% Government of India Loan 2020	2,500,000	261,307,063	-	-
8.15% Government of India Loan 2026	-	-	3,500,000	361,068,250
8.24% Government of India Loan 2033	-	-	3,500,000	367,543,750
8.27% Government of India Loan 2020	7,500,000	784,491,250	-	-
8.28% Government of India Loan 2027	-	-	2,500,000	258,712,000
8.28% Government of India Loan 2032	-	-	1,990,000	204,162,259
8.40% Government of India Loan 2024	-	-	10,000,000	1,035,915,000
8.60% Government of India Loan 2028	-	-	11,500,000	1,209,771,250
8.79% Government of India Loan 2021	-	-	1,000,000	105,133,600
Total (B)		**4,444,737,946**		**5,992,982,341**
C- For Repo				
8.35% National Insurance Company Limited 2027	150	150,000,000	-	-
11.25% Fullerton India Credit Company Ltd. 2018	50	51,310,000	-	-
7.22% Indian Renewable Energy Development Agency Limited 2027	150	150,065,400	-	-
9.00% Muthoot Finance Limited 2020	250,000	251,915,648	-	-
9.21% Punjab National Bank 2022	400	400,000,000	-	-
9.50% Indusind Bank Limited 2022	500	496,990,000	-	-
9.50% Yes Bank Ltd 2021	500	497,648,000	-	-
Total (C)		**1,997,929,048**		**-**
D - With Banks				
1.25% Tanglin Development Limited 2020	2,000	211,130,400		-
Total (D)		**211,130,400**		**-**
Total A+B+C+D		**13,209,646,991**		**11,318,666,463**

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

NOTE - 27
DETAILS OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES ISSUED DURING THE YEAR

Name of Security	Number	Amount ₹	Issue Date	Redemption Date
9.70% Non Convertible Debentures-Series B-II	500	50,000,000	7-Mar-17	7-Mar-27
9.70% Non Convertible Debentures-Series B-VII	1,500	150,000,000	21-Mar-17	21-Mar-24
9.60% Non Convertible Debentures-Series B-VI	500	50,000,000	20-Mar-17	20-Mar-24
9.60% Non Convertible Debentures-Series B-III	2,600	260,000,000	9-Mar-17	9-Mar-24
9.60% Non Convertible Debentures-Series B-I	2,500	250,000,000	7-Mar-17	7-Mar-24
9.55% Non Convertible Debentures-Series C	10,000	1,000,000,000	24-Mar-17	14-Apr-22
9.60% Non Convertible Debentures-Series A-III	300	30,000,000	20-Mar-17	20-Mar-22
9.50% Non Convertible Debentures-Series B-V	200	20,000,000	20-Mar-17	20-Mar-22
9.60% Non Convertible Debentures-Series A-II	400	40,000,000	9-Mar-17	9-Mar-22
9.60% Non Convertible Debentures-Series A-I	3,000	300,000,000	7-Mar-17	7-Mar-22
9.40% Non Convertible Debentures-Series B-IV	2,000	200,000,000	9-Mar-17	9-Sep-21

1. Face Value of all the Non-Convertible Debentures is ₹ 100,000.
2. Non Convertilbe Debentures Series A and Series B are redeemable at a call option in the range of 24 Months to 48 Months

NOTE - 28
BANKING FACILITIES

The Company has outstanding borrowing facilities from below mentioned banks:

Sr. No.	Name of Bank
1)	Bank of India
2)	South Indian Bank
3)	Bank of Maharashtra
4)	HDFC Bank Ltd.
5)	Karur Vysya Bank
6)	Federal Bank Limited
7)	Andhra Bank
8)	Lakshmi Vilas Bank
9)	Vijaya Bank
10)	Yes Bank Limited

NOTE - 29
CONTRIBUTION TO PROVIDENT FUND

Retirement benefits in the form of Provident fund are defined contribution scheme and the contributions are charged to the statement of profit and loss of the current year when the contribution to the respective fund is due. There are no other obligations other than the contribution payable to the respective fund.

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

NOTE - 30
CONTRIBUTION TO GRATUITY FUND (UNFUNDED)

The following table sets out the unfunded status of the gratuity plan and the amount recognised in the financial statements at the year end.

	Current Year ₹	Previous Year ₹
Change in present value of obligation		
Present value of obligation as at beginning of the year	2,012,617	2,773,577
Interest cost	161,009	221,886
Service cost	1,090,001	768,023
Benefits paid	-	(2,596,173)
Actuarial (gain)/loss on obligation	(188,068)	845,304
Present value of obligation as at year end	**3,075,559**	**2,012,617**
Amount recognised in the balance sheet		
Present value of obligation, as at year end	3,075,559	2,012,617
Fair value of plan assets as at year end	-	-
Liabilities recognised in the balance sheet	**3,075,559**	**2,012,617**
Expense recognised during the year		
Current service cost	1,090,001	768,023
Interest cost	161,009	221,886
Expected return on plan assets	-	-
Net actuarial (gain)/loss to be recognised	(188,068)	845,304
Net periodic cost (included in salaries and wages)	**1,062,942**	**1,835,213**
Assumptions used in accounting for the gratuity plan	**% p.a.**	**% p.a.**
Mortality rate	**IALM** (2006-08)	**LIC** (2006-08)
Discount rate	7.55%	8.00%
Salary escalation rate	5.00%	5.00%
Expected rate of return on plan assets	0.00%	0.00%

NOTE - 31
SEGMENT REPORTING

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 FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE - 32
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 FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

ii) Details of transactions with related parties are given as under:	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 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 - 33

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. 008/03.10.119/16-17 dated 1 September 2016 issued by RBI.

(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			
	Items	**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 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 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 32 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 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 32 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 total advance in that sector**
	Agriculture & allied activities	-
	MSME	-
	Corporate borrowers	-
	Services	-
	Unsecured personal loans	-
	Auto Loans	-
	Other personal Loans	-

NOTES TO THE 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 - 34
EARNINGS PER SHARE

	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 - 35

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 - 36
CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 - 37
DISCLSOURE ON SPECIFIED BANK NOTES (SBNs)

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 FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

NOTE - 38

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 - 39

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

NOTE - 40

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 - 41

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 - 42

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

Signature to 1 - 42

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

Abhinav Kumar Mittal
Director
DIN: 00698436

Mahesh Bhootra
Chief Financial Officer

Meeta Sanghavi
Company Secretary
ACS: 21168

Place: Mumbai
Date : May 06, 2017

ANNEXURE "A"

SCHEDULE TO THE BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON MARCH 31, 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	NIL	NIL
		(Other than falling within the meaning of public deposit*)		
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 BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON MARCH 31, 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

6

	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 BALANCE SHEET OF A NON DEPOSIT TAKING NON BANKING FINANCIAL COMPANY AS ON MARCH 31, 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.

Note