

**ASIT C. MEHTA INVESTMENT  
INTERMEDIATES LIMITED**

**AUDITED FINANCIAL STATEMENT  
2015-16**

# **CHANDRAKANT & SEVANTILAL**

**CHARTERED ACCOUNTANTS**

**Pradeep S. Shah  
Kiran C. Shah**

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4, Fairy Manor, 2nd Floor,  
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## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED**

#### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED ("the Company")**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2016**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information for the year then ended.

#### **Management's Responsibility for the Standalone Financial Statements**

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



the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

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



reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinion**

- (1) The Company continues to carry brought forward balance of deferred tax asset amounting to Rs. 1,37,25,069/- out of the total deferred tax asset to the extent of Rs. 2,66,69,073/-, which was created and recognized in the past, based on the business loss and unabsorbed depreciation.

Considering the business losses in the past, the carrying amount of the said deferred tax assets needed further review in the current year. However, the Company has reviewed it only partially and the said balance is carried forward as it is virtually certain about future taxable profits.

In absence of adequate evidence supporting the views taken by the Company about the future taxable profits as above, the partial review and resultant carry forward of the said deferred tax asset does not fulfill the requirements, *inter alia*, of writing down it as specified in the Accounting Standard- 22- "Accounting for Taxes on Income". Had the Company reviewed the said deferred tax asset and written it down, then the Statement of Profit & Loss would have reflected net loss of Rs. 54,65,122/- and to the extent of not writing down it, the Non-Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.





- (2) In respect of the Company's Trade Receivables of Rs. 1,91,19,694/- and Amounts due from Constituents to the extent of Rs. 1,45,51,988/-, reflected in and classified as Non-Current Assets in the Balance Sheet, we were unable to obtain sufficient appropriate audit evidence about their carrying amounts as well as their realisability. Also, they have remained unrealized since last five years or thereabout. In absence of sufficient appropriate audit evidence supporting the carrying amounts and their resultant realisability, we are unable to express an audit opinion about the Company's view for non-provision for doubtful debts, in the current year. Had the Company prudently made provision for the doubtful debts in respect of the said amounts, then the Statement of Profit & Loss would have reflected net loss of Rs. 2,54,11,735/-. To the extent of non-provision for doubtful debts for the said amounts, the Non-Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.
- (3) In respect of the amounts carried forward as "Fixed assets held for disposal" ("these Assets") at Rs. 55,26,182/-, reflected in and classified as Other Current Assets in the Balance Sheet, we were unable to obtain sufficient appropriate audit evidence about their carrying amounts as well as their realisability. Also, these Assets have remained undisposed off or unrealized since last four years or thereabout. Moreover, over a period of four years or thereabout, the Company has written off about Rs. 1,64,41,849/- as impairment loss. Thus, in absence of sufficient appropriate audit evidence supporting the carrying amounts and their resultant realisability and further Company's actions of writing off them as impairment losses year after year, we are unable to express an audit opinion about the Company's view for so classifying and carrying and reflecting them at net realisable value in the current year. Had the



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Company prudently reviewed the said amounts and consequently written off in the current year, then the Statement of Profit & Loss would have reflected net profit of Rs. 27,33,765/-. To the extent of not writing off, the Other Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.

The combined possible financial effects of the above item (1), (2) and (3) are that:

- the Statement of Profit & Loss would have reflected net loss of Rs. 4,46,62,986/-, against the net profit reflected presently at Rs. 82,59,947/-; and consequently, the balance of Reserves and Surplus would have been in negative at Rs. (8,25,32,328/-), against the said balance presently being reflected at Rs. (2,96,09,395/-); and
- the Non-Current Assets and Other Current Assets would have been lower by an aggregate amount of Rs. 5,29,22,933/-.

## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31<sup>st</sup> March, 2016**, and its profit and its cash flows for the year ended on that date.



## **Other matters**

Attention is invited to the Note No. 11.2 in the standalone financial statements regarding the management's view for non-recognition of diminution in value of investments by the Company in an overseas wholly owned subsidiary and in a public company in which the Company holds 100% of the total equity capital and voting power.

Our opinion is not qualified in respect of these matters.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of the information and explanations given to us and on the basis of such checks as we considered appropriate, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, obtained all the other information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



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- (b) in our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a director in terms of section 164(2) of the Act;
- (f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of



such controls, refer to our separate report in Annexure "B" attached herewith;

- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements, in Note 25.1 (a) & (b) to the standalone financial statements;
  - (ii) the Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses; and
  - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675 W



(PRADEEP S. SHAH) Partner  
Membership No. 030632

Mumbai:  
Dated: 20<sup>th</sup> May, 2016



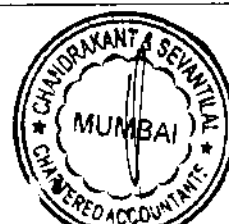
**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

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

<b>Matters specified in paragraphs 3 and 4 of the Order</b>	<b>Auditors' Statements on the matters</b>
<p>(i) (a) <i>Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;</i></p> <p>(b) <i>Whether these fixed assets have been physically verified by the management at reasonable intervals;</i></p> <p><i>whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;</i></p> <p>(c) <i>Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;</i></p>	<p>Yes</p> <p>No</p> <p>As physical verification of fixed assets was not carried out, it is not possible to report on discrepancy, if any.</p> <p>No immovable properties held at the end of the year, hence this clause is not applicable.</p>
<p>(ii) <i>Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt</i></p>	<p>Yes, physical verification conducted in respect of shares, securities, etc., lying in dematerialized form on weekly basis.</p>



with in the books of account;	As explained, no discrepancy was noticed.
<p>(iii) Whether the Company has granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,</p> <p>(a) whether the terms and conditions of the grant of such loans are not prejudicial to the Company's interest;</p> <p>(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;</p> <p>(c) if the amount is overdue, state the total amount overdue for more than ninety days and whether reasonable steps have been taken by the Company for recovery of the principal and interest;</p>	<p>Yes, unsecured loans were granted to two companies and interest free unsecured loan to an overseas wholly owned subsidiary ("WOS") covered under the register maintained under section 189 of the Companies Act, 2013.</p> <p>In our opinion, <i>prima facie</i>, the rate of interest, wherever applicable, and other terms and conditions are not prejudicial to the interest of the Company.</p> <p>There is no specific schedule of repayment of principal and payment of interest stipulated. The loans to two companies are on short term basis and the repayments or receipts are generally regular.</p> <p>Interest free loan to WOS is outstanding for more than ninety days at the end of the year. In respect of loans to other two companies, in view of no specific schedule stipulated for repayment of loans as reported herein above, it is not possible to report about these amounts remaining outstanding and overdue for more than ninety days.</p>



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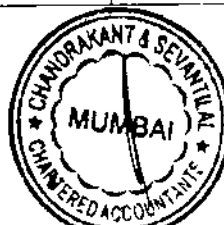
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(iv) <i>In respect of loans, investments, guarantees and security, whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof;</i>	Yes.
(v) <i>In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, whether the same has been complied with or not?</i>	No such deposits were accepted during the year. No such Orders were passed by any of these authorities.
(vi) <i>Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;</i>	No; Not applicable
(vii) (a) <i>Whether the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of</i>	Yes, the Company is generally regular in depositing the undisputed statutory dues as applicable to it. As explained to us, there were no dues payable





<p><i>Excise, Value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</i></p> <p><i>(b) Where dues of Income-tax or Sales-tax or Service tax or duty of Customs or duty of Excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute.);</i></p>	<p>under sales-tax, duties of customs &amp; excise and value added tax.</p> <p>According to the records examined by us and based on the further information and explanations, materially there were no undisputed dues in respect of above statutory dues remaining outstanding on 31.03.2016 which remained unpaid for a period of more than six months from the date they became payable.</p> <p>No such disputed dues.</p>
<p><i>(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported. (In case of defaults to banks, financial institutions and Government, lenderwise details to be provided.);</i></p>	<p>No. There were no borrowings from Government.</p>
<p><i>(ix) Whether moneys raised by way of initial public offer (including debt instruments) and term loans were applied for which</i></p>	<p>No such moneys were raised during the year, hence this clause is not applicable.</p>



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<i>those are raised. If not, the details together with delays or default and subsequent ratification, if any, as may be applicable, be reported;</i>	
<i>(x) Whether any fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. If yes, the nature and the amount involved is to be indicated;</i>	Neither came across nor we were informed by the management of any instance of fraud by the Company or any fraud on the Company by its officers or employees.
<i>(xi) Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013? If not, state the amount involved and steps taken by the Company for securing refund of the same;</i>	Managerial remuneration is paid/provided with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
<i>(xii) Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.</i>	Not applicable.
<i>(xiii) Whether all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, etc. as required by the applicable accounting standards;</i>	Yes.



<p>(xiv) <i>Whether the Company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;</i></p>	<p>No such allotment or placement during the year, hence this clause is not applicable.</p>
<p>(xv) <i>Whether the Company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of sections 192 of the Companies Act, 2013 have been complied with.</i></p>	<p>No; not applicable.</p>
<p>(xvi) <i>Whether the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.</i></p>	<p>No.</p>

Mumbai:  
Dated: 20<sup>th</sup> May, 2016



For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

*P. S. Shah*  
(PRADEEP S. SHAH) Partner  
Membership No. 030632

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE  
ON THE STANDALONE FINANCIAL STATEMENTS OF ASIT C. MEHTA  
INVESTMENT INTERMEDIATES LIMITED**

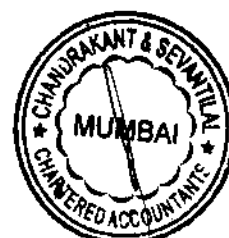
[Referred to in clause (g) of paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date]

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

We have audited the internal financial controls over financial reporting of **ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED** ("the Company") as of **31<sup>st</sup> March, 2016** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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



frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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



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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial



reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31<sup>st</sup> March, 2016:

- (a) The Company did not have an appropriate internal control system in respect of obtaining external evidence with regard to the outstanding dues/balance confirmation from the Customers and Amounts due from Constituents Clients, from whom the amounts are due and receivable as per its books since long period of time, which could potentially result adversely in establishing its claims and therefore reasonable certainty of their ultimate collection.
- (b) The Company did not have an appropriate internal control system in respect of conducting periodically the physical verification of the fixed assets and of the fixed assets held for disposal and their reconciliation with the book records. As a result, the Company could not ascertain the discrepancy between the book records and the assets lying physically and also could not ascertain the resultant loss of the said assets.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.



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In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31<sup>st</sup> March, 2016**, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at **31<sup>st</sup> March, 2016**, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company, except to the extent stated therein.

For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

Mumbai:  
Dated: 20<sup>th</sup> May, 2016



*P. S. Shah*  
(PRADEEP S. SHAH) Partner  
Membership No. 030632



## BALANCE SHEET AS AT 31st MARCH, 2016

Particulars		Note No.	As at 31/03/2016	As at 31/03/2015
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share capital		2	19,11,11,110	19,11,11,110
(b) Reserves and Surplus		3	(2,96,09,395)	1,09,07,052
			16,15,01,715	20,20,18,162
<b>2 Non-Current Liabilities</b>				
(a) Long-term borrowings		4	6,80,00,000	6,80,00,000
(b) Other Long-term Liabilities		5	3,58,33,881	3,82,70,357
			10,38,33,881	10,62,70,357
<b>3 Current Liabilities</b>				
(a) Short-term borrowings		6	18,46,22,042	15,25,94,391
(b) Trade Payables		7	1,41,33,328	1,66,01,654
(c) Other current liabilities		8	25,89,69,539	28,10,45,923
(d) Short-term provisions		9	2,59,457	1,98,152
			45,79,84,366	45,04,40,120
<b>TOTAL</b>			<b>72,33,19,962</b>	<b>75,87,28,639</b>
<b>II. ASSETS</b>				
<b>1 Non-Current Assets</b>				
(a) Fixed assets		10		
(i) Tangible assets			2,53,82,721	11,55,73,629
(ii) Intangible assets			89,61,539	63,28,239
			3,43,44,260	12,19,01,868
(b) Non-current investments		11	3,20,23,588	3,20,23,588
(c) Deferred tax assets (net)		12	1,34,99,149	1,72,35,300
(d) Long-term loans and advances		13	10,96,48,014	11,73,81,062
(e) Other non-current assets		14	5,16,52,660	4,96,46,043
			20,68,23,411	21,62,85,993
<b>2 Current Assets</b>				
(a) Trade Receivables		15	76,26,029	1,04,45,606
(b) Cash and Bank Balances		16	24,15,37,495	21,12,58,714
(c) Short-term loans and advances		17	8,43,30,634	4,62,58,589
(d) Other current assets		18	14,86,58,133	15,25,77,869
			48,21,52,291	42,05,40,778
<b>TOTAL</b>			<b>72,33,19,962</b>	<b>75,87,28,639</b>

Significant Accounting Policies and Notes to Accounts

1 to 31

AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT &amp; SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

FOR AND ON BEHALF OF BOARD OF DIRECTORS

*P. S. Shah*

(PRADEEP S. SHAH)

Partner

Membership No : 030632

*Deena A. Mehta*

(DEENA A. MEHTA)

Managing Director

*Kirit H. Vora*

(KIRIT H. VORA)

Whole Time Director



*Pankaj Parmar*

(PANKAJ PARMAR)

Chief Financial Officer

PLACE : MUMBAI

DATED : 20 MAY 2016

PLACE : MUMBAI

DATED : 20 MAY 2016

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars		Note No.	For the year ended 31/03/2016	For the year ended 31/03/2015
I	<b>INCOME</b>			
1	Revenue from operations	19	22,97,29,379	29,06,64,170
2	Other income	20	8,40,50,287	1,55,66,500
	<b>Total Revenue</b>		<b>31,37,79,666</b>	<b>30,62,30,670</b>
II	<b>EXPENDITURE</b>			
1	Employee benefits expense	21	8,03,68,647	6,62,43,391
2	Finance costs	22	3,31,92,861	3,36,57,483
3	Depreciation and amortization expense		1,08,64,453	1,54,91,729
	Less : Transfer from Revaluation Reserve		(8,19,036)	(8,25,805)
4	Other expenses	23	1,00,45,417	1,46,65,924
			18,16,75,741	18,55,46,242
	<b>Total Expenses</b>		<b>30,52,82,666</b>	<b>30,01,13,040</b>
III	<b>Profit before Exceptional and Extra Ordinary items and Tax</b>		<b>84,97,000</b>	<b>61,17,631</b>
	<b>Add: Exceptional and Extra Ordinary items</b>		-	-
IV	<b>Profit before tax</b>		<b>84,97,000</b>	<b>61,17,631</b>
	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax ( Net)		(37,36,152)	29,83,321
	(3)(Short)/Excess tax of earlier years (Income Tax Refund)		34,99,099	(10,72,480)
V	<b>Profit after tax for the year</b>		<b>82,59,947</b>	<b>80,28,472</b>
VI	<b>Earnings per equity share:</b>			
	(Face value of Rs.10/- Per Share)	24		
	(1) Basic		0.74	0.91
	(2) Diluted		0.85	0.91

Significant Accounting Policies and Notes to Accounts

1 to 31

AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

*P. S. Shah*

(PRADEEP S. SHAH)

Partner

Membership No : 030632



PLACE : MUMBAI

DATED : 20 MAY 2016

FOR AND ON BEHALF OF BOARD OF DIRECTORS

*Deena A. Mehta*

(DEENA A. MEHTA)

Managing Director

*Kirit H. Vora*

(KIRIT H. VORA)

Whole Time Director

*Pankaj Parmar*

(PANKAJ PARMAR)

Chief Financial Officer

PLACE : MUMBAI

DATED : 20 MAY 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

Particulars	For the year ended 31/03/2016		For the year ended 31/03/2015	
<b>Cash Flow From Operating Activities</b>				
Net profit/(loss) before tax		84,97,000		61,17,631
<b>Adjustments for</b>				
Depreciation & Amortisation (Net)	1,00,45,417		1,46,65,924	
Interest income	(2,99,79,167)		(1,49,85,862)	
Dividend income	(11,249)		(34,354)	
Interest expense	3,31,92,861		3,35,89,341	
Loss on Sale of Fixed Assets	49,995		42,261	
Profit on Sale of Office Premises	(21,07,524)		-	
Fixed Assets Written Off	26,17,443		2,93,961	
Impairment Loss on Assets held for Disposal	35,21,197		19,00,274	
Realised Gain on sale of office premises	(4,79,57,358)		-	
Profit/loss on Sale of Investments	-		(3,52,937)	
Foreign Exchange Difference	(1,47,998)	(3,07,76,383)	-	3,51,18,608
<b>Operating profit/(loss) before working capital changes</b>		<b>(2,22,79,383)</b>		<b>4,12,36,239</b>
<b>Adjustments for (Increase)/Decrease in operating assets</b>				
(Increase) / Decrease in Trade Receivables	28,19,576		(82,59,225)	
(Increase) / Decrease in Long Term loans & Advances	77,33,048		(77,00,646)	
(Increase) / Decrease in Other Non Current Assets	(20,06,617)		15,51,426	
(Increase) / Decrease in Other Bank FD's	(1,21,29,622)		(13,52,83,374)	
(Increase) / Decrease in Short Term Loans & Advances	(3,79,24,047)		11,01,13,836	
(Increase) / Decrease in Other Current assets	39,19,736	(3,75,87,925)	3,46,20,272	(49,57,712)
<b>Adjustments for Increase/(Decrease) in operating liabilities</b>				
Increase / (Decrease) in Long Term liabilities	(24,36,476)		16,13,038	
Increase / (Decrease) in Trade payables	(24,68,325)		17,64,571	
Increase / (Decrease) in Other current liabilities	(2,20,76,384)		(7,98,41,572)	
Increase / (Decrease) in Short term Provisions	61,305		(16,47,133)	
		<b>(2,69,19,880)</b>		<b>(7,81,11,096)</b>
<b>Cash generated from operating activities</b>		<b>(8,67,87,189)</b>		<b>(4,18,32,568)</b>
Refund recd / (Taxes paid) (Net of Earlier Year Tax Adjustment)		34,99,099		(10,72,480)
<b>Net cash From Operating Activities (A)</b>		<b>(8,32,88,090)</b>		<b>(4,29,05,048)</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of fixed assets	(42,00,588)		(23,25,010)	
Sale of Fixed Assets	8,03,33,829		8,100	
Sale consideration of Assets held for Disposal	-		31,000	
Sale of Investments	-		5,51,087	
Adjustment of Carrying Value in Fixed Assets	(35,21,198)		(19,50,709)	
Interest received	2,99,79,167		1,49,85,862	
Dividend received	11,249		34,354	
<b>Net cash generated from investing activities (B)</b>		<b>10,26,02,460</b>		<b>1,13,34,684</b>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

Particulars	For the year ended 31/03/2016		For the year ended 31/03/2015	
<b>Cash Flow From Financing Activities</b>				
Proceeds from issuance of preference shares capital	-		2,00,00,000	
Recd Term Loan from Peerless Financial Services Ltd.	-		5,00,00,000	
Issue of 14% Debentures	-		1,80,00,000	
Repayment / Proceed of Overdraft	3,50,27,649		(1,05,30,686)	
Repayment on Term Loan	-		(1,53,19,257)	
Intercompany deposit received / (repaid)	(30,00,000)		19,50,000	
Repayment of unsecured Loans	-		(37,50,000)	
Interest Paid	(3,31,92,861)		(3,35,89,341)	
<b>Net cash used in financing activities (C)</b>		(11,65,212)		2,67,60,716
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		1,81,49,158		(48,09,649)
<b>Cash and Cash Equivalents - Opening 1st April</b>		2,15,57,135		2,63,66,783
<b>Cash and Cash Equivalents - Closing 31st March</b>		3,97,06,293		2,15,57,135

## NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

## 1 Cash &amp; Cash Equivalents Include :

Cash on Hand	2,84,004	1,72,835
Balances with Banks In Current and Cash Credit Accounts	3,94,22,289	2,13,84,300
	3,97,06,293	2,15,57,135

## 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements.

AS PER OUR REPORT OF EVEN DATE  
For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

P. S. Shah

(PRADEEP S. SHAH)  
Partner  
Membership No : 030632  
Place : MUMBAI  
DATED: 20 MAY 2016



FOR AND ON BEHALF OF BOARD OF DIRECTORS

(DEENA A. MEHTA)  
Managing Director

(KIRIT H. VORA)  
Whole Time Director

(PANKAJ PARMAR)  
Chief Financial Officer

Place : MUMBAI  
DATED: 20 MAY 2016

## Note-1

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2016

## I DESCRIPTION OF BUSINESS

The Company is a member of BSE Ltd., The National Stock Exchange of India Ltd. ("NSE") and Metropolitan Stock Exchange of India Ltd. and is engaged in shares and securities broking in cash, derivative including currency derivative segment, debt markets and mutual fund along with other fund mobilization. The Company is a Category- I Merchant Banker registered under the Securities & Exchange Board of India (Merchant Bankers) Regulations, 1992 and is also engaged in providing services of Investment Banking, Corporate Finance & Advisory.

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

## II SIGNIFICANT ACCOUNTING POLICIES

## 1.1 GENERAL

i The Accounts have been prepared on historical cost basis ignoring changes, if any, in the purchasing power of money, except Office building premises, which are stated at revalued amount.

ii All expenses and income are accounted on accrual basis, except otherwise stated herein below. Revenue from Depository operations is considered to accrue as one time Transaction charges based on the calendar year.

iii Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction.

iv Income from Brokerage, Demat charges, Fund Mobilization & Corporate Advisory services are exclusive of service tax.

## 1.2 STOCK IN TRADE

## i CLASSIFICATION

Shares, debentures and units of mutual funds, etc. acquired and / or held in the course of broking activities are classified as Stock in Trade.

## ii VALUATION

Shares, units, bonds and debentures are valued at lower of cost or market value.

Cost of stock in trade comprises of purchase price and other levies and taxes and it is arrived at based on Weighted Average method and the same is valued at cost or market value whichever is lower.

## 1.3 FIXED ASSETS, INTANGIBLES, VALUATION, DEPRECIATION AND AMORTISATION

i Fixed assets, other than Office Building Premises, are stated at cost of acquisition as reduced by input tax credit available under Service Tax Rules/CENVAT Credit Rules and as reduced by accumulated depreciation and amortization. Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost to bring the asset to its working condition for the intended use.

ii Office Building Premises are stated at amount as revalued as at 31.03.2011 by an approved valuer and the difference between historical cost and amount so revalued is credited to Revaluation Reserve.

iii Expenses on intangibles ( software / licences ) are capitalized if the same are likely to provide significant economic benefits over the future period

## iv Depreciation and amortization, etc.

Depreciation on Fixed Assets has been computed based on the useful lives of each of the items of the Fixed Assets, as existing on 01.04.2014 and on additions, as ascertained by the Valuation Advisor and is computed on Straight Line Method of depreciation, and in the manner and in compliance with the requirements prescribed in Schedule II of the Companies Act, 2013, as applicable for the Financial Year commencing from 01.04.2014.

In respect of each item of the Fixed Assets, existing on the date of the applicability of the requirements of the Schedule II, i.e. on 01.04.2014, the Company has got evaluated technically by the Valuation Advisor by examining physically each such items of Fixed Assets as to their possible total useful lives from the respective dates of purchases, acquisition, etc. and based thereon, the balance remaining useful lives. Also, in respect of additions during the year, the Company has adopted the useful lives of respective item of fixed assets as determined by the Valuation Advisor.

These useful lives, as determined by the Valuation Advisor, are different from the useful lives as specified in Part C of the Schedule II, and the details of which are as under

Assets	As per Valuer's report	As per Part C of Schedule II	Justification for adopting longer useful lives
Furniture and Fixture	12 years	10 years	i) Due to Regular Maintenance through Qualified Technicians onsite ii) Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.
Computer - End Users	8 years	3 years	
Computer - Server, HUB, Router	10 years	6 years	
Office Building	63 years	60 years	
Office Equipment	11 years	5 years	
Other Equipments **	14 years	5 years	
Electrical Installation	14 years	10 years	
Vehicles	10 years	8 years	
Lift	32 years	15 years	

\*\* Other equipments are Air Conditioners, Communication System and DG sets.

Intangible assets, including Softwares and software licences etc. are amortised over the period during which the company expects to obtain economic benefits, but in no case exceeding Ten years from the date of acquisition. The residual value of intangible assets including Softwares and software licences etc. has been adopted as nil.

Intangible assets, including Softwares and software licences etc. are amortised on straight line method over the period during which the company expects to obtain economic benefits as per requirements of Accounting Standard 26 - Intangible Assets.

v Differential amount of Depreciation on historical cost of office building premises and on revalued amount has been withdrawn from Revaluation Reserve and has been transferred to the Statement of Profit & Loss.

## vi IMPAIRMENT

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. In the opinion of the Management, there is no impairment to the assets except which are held for disposal and classified under other current assets, other than the assets written off during the year.

## vii Revaluation

Upon sale of revalued asset, the realised gain ( i.e., consideration as reduced by historical cost) being profit of the year is transferred to profit and loss statement (from Revaluation Reserve) and the loss, if any, i.e. net book value in excess of consideration is adjusted to Revaluation Reserve.



#### 1.4 INVESTMENTS CLASSIFICATION

Securities acquired and intended to be held for a longer period, including those held for strategic reasons, are classified as Investments.

#### ii VALUATION

Investments are stated at cost. Provision for diminution in value of long term investment is made, if the same is permanent in nature.

#### 1.5 EMPLOYEES' BENEFITS

- i Contribution payable to the recognized provident fund, which is defined contribution plan, is recognized in the Statement of Profit and Loss.
- ii For liability in respect of staff gratuity, the Company has entered into an agreement with the Life Insurance Corporation of India ("LIC") AND Kotak Life Insurance under the Group Gratuity Scheme and Kotak group Bond Fund respectively. Under these Schemes, the insurers periodically determine the contribution required to be paid by the Company based on the liabilities and funds available in the Company's Policy Fund Accounts and the same is paid or provided in the Accounts. The settlement obligation in respect of the employees gratuity claims remains with the Company and accordingly, on the retirement or termination of the employee from the employment, the gratuity liabilities based on their salary and the years of employment are computed and the insurers pay the same after determining the amounts payable based on the funds available to the credit of the Company's Policy Fund Accounts. The year end liability of the gratuity is actuarially valued by the insurers using Projected Unit Credit Method.
- iii The liability in respect of leave encashment benefits which is long term defined benefit plan, is determined by the independent actuary and the obligation there under is provided.
- iv Actuarial gains/losses are accounted in the Statement of Profit and Loss in the respective year.

#### 1.6 BORROWING COST

Borrowing cost directly attributable to the cost of acquisition or construction of the fixed assets is capitalized as part of the cost of the assets, upto date the asset is put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

#### 1.7 OPERATING LEASE

- i Lease of Assets under which all the risk and rewards of ownership are effectively retained by the Lessor is classified as operating lease. Assets are obtained / given on lease on the terms and conditions, as agreed between the parties, relating to right to use, retention of the assets, periodical repairs and maintenance, etc.
- ii Lease payments / receipts under operating lease arrangements are recognized as expenses / revenue on accrual basis in accordance with respective lease agreements or arrangements.

#### 1.8 PROVISION FOR CURRENT AND DEFERRED TAX

- i Provision for taxation is made at the current rate of tax in accordance with the provisions of the Income Tax Act, 1961.
  - ii Deferred Tax resulting from "timing difference" between the book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.
  - iii Deferred tax assets arising from carry forward losses, etc. are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
- #### 1.9 PROVISIONS AND CONTINGENT LIABILITIES
- i A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made of the obligation. Provisions are not discounted to its present value and are made as per estimate determined by the management considering the requirements to settle the obligation as at the balance sheet date. The provisions made are being reviewed by the management at each balance sheet date so as to adjust to the amount of current estimate.
  - ii Contingent liabilities are disclosed in respect of which there are possible or present obligations that arise from past events but their existence is confirmed on occurrence of or non occurrence of one or more uncertain future events and in respect of which there may not be probably any outflow of resources.

#### 1.10 SUNDRY DEBTORS AND OTHER RECEIVABLES

- i Provision for Doubtful Debts is recognized on the basis of management's assessment of the probable outcome of the receivables.
- ii Irrecoverable amounts, if any, are accounted and / or provided for only upon final settlement of accounts with the parties / constituents.

#### 1.11 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the balance sheet.



2.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Authorized:</b>		
11,250,000 [Previous Year 11,250,000] Equity Shares of Rs.10 each	11,25,00,000	11,25,00,000
9,000,000 [Previous Year 9,000,000] Preference Shares of Rs.10 each	9,00,00,000	9,00,00,000
	<b>20,25,00,000</b>	<b>20,25,00,000</b>
<b>Issued, Subscribed and fully Paid up:</b>		
<b>EQUITY SHARE CAPITAL</b>		
11,11,111 [Previous Year 11,111,111] Equity Shares of Rs. 10 each	11,11,11,110	11,11,11,110
[Out of above, 55,61,111 nos. of Equity Shares (Previous Year 55,61,111) are held by Asit C Mehta Financial Services Ltd., Holding Company]		
<b>PREFERENCE SHARE CAPITAL</b>		
4,500,000 [Previous Year 4,500,000] 9% Cumulative Redeemable Preference Shares of Rs.10 each	4,50,00,000	4,50,00,000
[Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]		
1,500,000 [Previous Year 1,500,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each	1,50,00,000	1,50,00,000
[Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, Redeemable at premium at 5% per year or part of the year]		
2,000,000 [Previous Year 2,000,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each	2,00,00,000	2,00,00,000
[Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]		
	<b>19,11,11,110</b>	<b>19,11,11,110</b>

2.2

## Reconciliation of Number of Shares

Particulars	Equity Shares	9% Cumulative Redeemable Preference Shares	4% Cumulative Redeemable Preference Shares (Redeemable at premium at 5% per year or part of the year)	4% Cumulative Redeemable Preference Shares
Shares outstanding at the beginning of the year	1,11,11,111 (79,00,000)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 (-)
Add : Shares Issued, Subscribed and fully Paid up during the year	- (32,11,111)	- (-)	- (-)	- (20,00,000)
Less : Shares Redeemed/Bought back during the year	- (-)	- (-)	- (-)	- (-)
Shares outstanding at the end of the year	1,11,11,111 (1,11,11,111)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 (20,00,000)

(Figures in brackets relate to previous year)





## 2.3 Details of each Shareholder holding more than 5% of share capital

Name of Shareholder	As at 31/03/2016		As at 31/03/2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
a) <b>Equity Shares</b>				
Shri Asit C. Mehta	31,91,566	28.72	31,91,566	28.72
Smt. Deena A. Mehta	15,37,516	13.84	15,37,516	13.84
Asit C Mehta Financial Services Ltd.	55,61,111	50.05	55,61,111	50.05
Asit C Mehta Commodity Services Ltd.	5,72,500	5.15	5,72,500	5.15
b) <b>9% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	22,50,000	50.00	22,50,000	50.00
Smt. Deena A. Mehta	22,50,000	50.00	22,50,000	50.00
c) <b>4% Cumulative Redeemable Preference Shares ( Redeemable at 5% premium per year or part of the year)</b>				
Shri Asit C. Mehta	8,00,000	53.33	8,00,000	53.33
Smt. Deena A. Mehta	7,00,000	46.67	7,00,000	46.67
d) <b>4% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	10,00,000	50.00	10,00,000	50.00
Smt. Deena A. Mehta	10,00,000	50.00	10,00,000	50.00

## 2.4 Rights of shareholders

- a) The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share on any resolution placed before the Company in any general meeting. A holder is entitled to dividend proposed by Board of Directors, subject to the approval of shareholders in Annual General Meeting.
- b) In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.
- c) The Company has following classes of Preference shares having a par value of Rs.10/- per share. Their rights are as under:  
The Preference Shares shall carry voting rights in accordance with the provisions of the Companies Act, 1956/the Companies Act, 2013. Since Preference Dividend is in arrears for last two years, Preference Shareholders are entitled to voting rights as per relevant provisions of the Companies Act, 1956/ the Companies Act, 2013.

The Preference Shares shall rank in priority to Equity Shares for repayment of capital.

## i) 9% Cumulative Redeemable Preference Shares

-The Preference Shares shall carry a preferential dividend @ 9% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at par. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.

## ii) 4% Cumulative Redeemable Preference Shares

-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at premium of 5% per year or part of the year. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.

## iii) 4% Cumulative Redeemable Preference Shares

-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at par. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.





## Note-3 Reserves &amp; Surplus

₹

Particulars	As at 31/03/2016	As at 31/03/2015
<b>a. Securities Premium Reserve Account</b>		
As per Last Balance sheet	7,02,22,220	60,00,000
Add : Premium on Conversion of Compulsory Convertible Debentures	-	6,42,22,220
	7,02,22,220	7,02,22,220
<b>b. Revaluation Reserve</b>		
As per Last Balance sheet	4,87,76,394	4,96,02,199
Less: Realised gain transferred to Statement of Profit & Loss [ Refer Note 1.3 (vii)]	4,79,57,358	-
Less: Transferred to Statement of Profit & Loss [ Refer Note 1.3 (v) & 10.3]	8,19,036	8,25,805
	-	4,87,76,394
<b>c. General Reserve</b>		
As per Last Balance sheet	1,79,95,126	1,79,95,126
	1,79,95,126	1,79,95,126
<b>d. Surplus in Statement of Profit &amp; Loss</b>		
As per Last Balance sheet	(12,60,86,688)	(12,85,85,082)
Less : Adjustment as per Schedule II to the Companies Act, 2013	-	(55,30,078)
Add : Net Profit For the current year	82,59,947	80,28,472
	(11,78,26,741)	(12,60,86,688)
	(2,96,09,395)	1,09,07,052

## Note 4 Long Term Borrowings

₹

Particulars	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
	Non Current		Current	
<u>Secured</u>				
Term loans				
From Non Banking Financial Company				
Peerless Financial Services Ltd	5,00,00,000	5,00,00,000	-	-
[Secured by i) Primarily by Equitable Mortgage of commercial property owned by Asit C. Mehta Financial Services Ltd., Holding Company. ii) Further Collaterals by Corporate Guarantee of Asit C. Mehta Financial Services Ltd., Holding Company & Personal Guarantee of Managing Director and one of the whole time directors]				
	5,00,00,000	5,00,00,000	-	-
<u>Unsecured</u>				
14% Compulsory Convertible Debentures	1,80,00,000	1,80,00,000	-	-
600,000 (Previous year 600,000) 14% Compulsory Convertible Debentures of Rs.30 each; convertible into one equity share of Rs.10 each at premium of Rs.20/- per share, on or before 31/01/2020.				
	1,80,00,000	1,80,00,000	-	-
	6,80,00,000	6,80,00,000	-	-



## 4.2 Maturity Profile

₹

Particulars	Current Portion	Non Current Portion
	2016-17	2017-18 to 2019-20
Term Loan from Peerless Financial Services Ltd [Rate of Interest- 14% p.a.(Previous Year - 14% p.a.)] (Principal amount of Term Loan shall be repayable in 12 quarterly installments comprising (i) 4 installments of Rs.25 Lacs each commencing from 26.06.2017 to 26.03.2018 (ii) 4 installments of Rs.37.50 Lacs each commencing from 26.06.2018 to 26.03.2019 (iii) 4 installments of Rs. 62.50 Lacs each commencing from 26.06.2019 to 26.03.2020)	-	5,00,00,000
	-	5,00,00,000

## Note 5 Other Long Term Liabilities

₹

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Others</b>		
Base Capital Deposits	3,58,33,881	3,82,70,357
	3,58,33,881	3,82,70,357

## 5.2 BASE CAPITAL DEPOSITS FROM BUSINESS ASSOCIATES

- a The Company, in the course of its business and as per the terms and conditions with Business Associates, has received security deposits in the form of cheques or its equivalent and/or by way of shares and securities (which are transferred to and held in the name of the Company).
- b Security deposits so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- c As per the terms and conditions, the Company has an absolute right to appropriate and realize the security deposits against the unpaid dues from Business Associates and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares and securities deposited with the Company, as the case may be.
- d The aggregate amount of security deposits received from Business Associates and outstanding as at the year end is Rs. 35,833,881/- (Previous year Rs.38,270,357/-), which includes the value of securities received in the form of shares and securities of Rs.4,519,420/- (Previous Year - Rs.5,923,536/-).
- e The security deposits received in the form of shares and securities as above are classified and reflected as "Shares received as margin" under the head "Long Term Loans & Advances" in Note No. 13.1 and stated at the market value as at the end of the year.



## Note 6 Short Term Borrowings

₹

6.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Secured</b>		
<b>From State Bank of India overdraft facility</b>	14,95,57,850	14,95,94,391
[Secured by hypothecation and first charge on present and future fixed assets, like computers & peripherals, furniture, electrical fittings, interior works, etc and further collaterals by (i) legal mortgage of residential premises owned by Managing director and one of the whole time directors; (ii) office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and one of the whole time directors]		
<b>From Bank of India overdraft facility</b>	3,50,64,192	
[Secured by (i) 1. Mortgage of Commercial properties situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai. 1st floor in name of Asit C Mehta Financial Services Limited - Holding Company, and 3rd Floor of "B" Wing in name of the Company. 2. Mortgage of Block No 102 on 1st Floor, 201,202, 203 on 2nd Floor in name of Asit C Mehta Financial Services Limited & and 7th Floor of "A" Wing in name of the Company (ii) personal guarantee of the Managing Director, one of the whole time directors, Holding Company and Asit C Mehta Commodity Services Limited]		
	18,46,22,042	14,95,94,391
<b>Unsecured</b>		
<b>Inter Corporate Deposit</b>	-	30,00,000
	-	30,00,000
	18,46,22,042	15,25,94,391

- 6.2 i) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 4.1% p.a. (Presently Rate 13.80% p.a.) (Previous Year Base Rate + 7% p.a. i.e. 17% p.a.)
- ii) Rate of Interest by Bank Of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 3.80% p.a. (Presently Rate 13.75% p.a.) (Previous Year Nil)
- iii) On Inter Corporate Deposit Interest is paid at varying rates @ 12 to 15% p.a. (Previous Year @ 15% p.a.)



## Note 7 Trade Payable

₹

7.1

Particulars	As at 31/03/2016	As at 31/03/2015
Creditors for Expenses		
(a) Total Outstanding Dues of micro enterprises and small enterprises		
(b) Total Outstanding Dues of creditors other than micro enterprises and small enterprises	1,41,33,328	1,66,01,654
	1,41,33,328	1,66,01,654

7.2

Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures relating to amounts due to micro, small and medium enterprises and remaining unpaid after the appointed date, etc. of principal and interest amounts are required to be made. The Company has followed the process of obtaining the relevant information from its suppliers about their filing of the Memorandum with the specified authorities and as per the information so received, the required details are as under :

₹

Amounts payable to Micro and Small Enterprises	As at 31/03/2016	As at 31/03/2015
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil



## Notes to the Financial Statements

## Note 8 Other Current Liabilities

₹

8.1	Particulars	As at 31/03/2016	As at 31/03/2015
	Amounts Due to Constituents	22,51,78,384	24,49,07,572
	Statutory Dues	56,37,996	85,24,283
	Shares Received as margin from Constituents ( Refer note 8.2)	2,27,41,904	2,63,47,071
	Security Deposit against Rental of Premises	43,60,500	-
	Other Liabilities	10,50,754	12,66,996
		<b>25,89,69,539</b>	<b>28,10,45,923</b>

## 8.2 MARGIN FROM CONSTITUENTS

- a The Company, in the course of its business and as per the terms and conditions with Clients, has received initial margin in the form of shares and securities (which are transferred to and held in the name of the Company).
- b Initial margin so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- c As per the terms and conditions, the Company has an absolute right to appropriate and realize against the unpaid dues from the Clients and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares with the Company, as the case may be.
- d Initial Margin received in the form of shares and securities as above are classified and reflected under the head "Short Term Loans and Advances" in Note No. 17.1 and stated at the market value as at the end of the year.

8.3 The amounts due to Constituent Clients represent amounts payable on account of security broking transactions. These accounts comprise the running transactions carried out by the Constituent Clients.

8.4 Amounts due to Constituents, Creditors/Other Liabilities are subject to Confirmation.

## Note 9 Short Term Provisions

₹

9.1	Particulars	As at 31/03/2016	As at 31/03/2015
	Provision for employee benefits		
	Employee Salaries	16,972	18,939
	Leave Encashment ( Refer note 21.2)	1,52,017	1,36,027
	Gratuity ( Refer note 21.2)	90,468	43,186
		<b>2,59,457</b>	<b>1,98,152</b>





ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

Note 11 Non Current Investments-Other than Trade

Sr. No.	Name of the Body Corporate	Amount	
		As at 31/03/2016	As at 31/03/2015
	<b>Investment in Equity Instruments</b>		
	<b>Shares of Rs. 10/- each Fully Paid Up unless otherwise Stated</b>		
	<b>Quoted- At Cost</b>		
1	7000 Omnitex Industries (India) Limited (7000)	30,543	30,543
		30,543	30,543
	<b>Unquoted -At Cost</b>		
	<b>In Equity shares of Wholly Owned subsidiary (fully paid up)</b>		
2	600 Asit C Mehta Comdex Services, DMCC [share of 1,000 Dirhams-AED] (600)	75,14,370	75,14,370
	<b>In Equity shares of others (fully paid up)</b>		
3	200000 Asit C. Mehta Commodity Services Ltd. * (200000)	2,42,00,000	2,42,00,000
4	694 BSE Limited [Share of Re 1 each] (694)	2,60,250	2,60,250
5	2750 Vippy Industries Limited (Face Value Re. 1/- per share) (2750)	18,425	18,425
		3,20,23,588	3,20,23,588

(Figures in brackets relate to previous year)

\* Includes 100,000 Equity Shares received as gift on 31.3.2012 from some of the Directors and accordingly, it became Wholly Owned Subsidiary ("WOS") on 31.3.2012 and due to further allotment of shares by the said WOS, the Company's percentage of share holding in total capital of the said WOS reduced from 100% to 19.98% on 30/03/2015.

11.2 In view of long term and strategic holdings, Investments in Asit C. Mehta Comdex DMCC and Asit C. Mehta Commodity Services Ltd. are carried at cost and diminution with reference to their values, is not recognized.

11.3	Particulars	Amount	
		As at 31/03/2016	As at 31/03/2015
	Investment in Equity Instruments	3,20,23,588	3,20,23,588
	Less : Provision for diminution in the value of Investments	-	-
		3,20,23,588	3,20,23,588

11.4	Particulars	Amount	
		As at 31/03/2016	As at 31/03/2015
	Aggregate amount of quoted investments (Market value Rs.91,000/- (Previous Year Rs.63,000/-)	30,543	30,543
	Aggregate amount of unquoted investments	3,19,93,045	3,19,93,045



## Notes to the Financial Statements

## Note 12 Deferred Tax Assets (Net)

- 12.1 Reversal of Deferred Tax Assets (Net of Liabilities) in respect of the current year amounting to Rs. 37,36,152/- [Previous year Reversal of Liabilities Rs 29,83,321/-] has been debited to the Statement of Profit and Loss. Major components are as under:

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Deferred Tax Liabilities:</b>		
Depreciation	10,97,729	21,90,281
Total	10,97,729	21,90,281
<b>Less:-</b>		
<b>Deferred Tax Assets:</b>		
Business loss	1,37,25,069	1,83,07,346
Expenses allowable on payment basis	8,71,809	11,18,236
Total	1,45,96,878	1,94,25,582
<b>Net Deferred Tax (Assets) / Tax Liabilities</b>	<b>(1,34,99,149)</b>	<b>(1,72,35,300)</b>

- 12.2 In compliance with the Accounting Standard-22, the management has been regularly reviewing the carrying amounts of the deferred tax assets including relating to deferred tax assets arising from the carried forward losses, etc. at the end of each financial year. Accordingly, the management has reviewed the same and the deferred tax assets pertaining to brought forward loss, etc. amounting to Rs. 45,82,277/- (Previous Year 83,61,727/-) has been reversed.

## Note 13 Long Term Loans and Advances

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Unsecured, considered good</b>		
<b>a) Capital Advances</b>	57,87,500	34,61,000
<b>b) Security Deposits</b>		
<u>Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations</u>		
The National Stock Exchange of India Ltd.	1,69,00,000	1,69,00,000
BSE Ltd.	1,25,000	2,25,000
Central Depository Services (India) Ltd	7,50,000	7,50,000
Metropolitan Stock Exchange of India Ltd.	10,00,000	10,00,000
	1,87,75,000	1,88,75,000
Deposits for Premises and Other Deposits	7,01,82,191	7,01,76,491
<b>c) Shares Received As Margin From [See Note 5.2 (e)]</b>		
Business Associates	45,19,420	59,23,536
<b>d) Other Advances</b>		
Prepaid Expenses	9,69,272	8,15,921
Advance Income Tax	94,14,630	1,81,29,114
	<b>10,96,48,014</b>	<b>11,73,81,062</b>

Loans and Advances include Security Deposits for premises on Leave and Licence	As at 31/03/2016		As at 31/03/2015	
	Balance Due	Max. Balance	Balance Due	Max. Balance
i) to Managing Director	2,55,00,000	2,55,00,000	2,50,00,000	2,50,00,000
ii) to Whole time Director	1,75,00,000	1,75,00,000	1,75,00,000	1,75,00,000
ii) to Holding Company	2,62,51,740	2,62,51,740	2,62,51,740	2,62,51,740





## Notes to the Financial Statements

## Note 14 Other Non Current Assets

₹

14.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>Long Term Trade Receivable</b>		
	Outstanding for a period exceeding six months from the date they were due for payment (Refer Note -14.2) (Subject to Confirmation)		
	Secured against Shares	-	-
	Unsecured, considered good	1,91,19,694	2,23,88,158
		1,91,19,694	2,23,88,158
	<b>Amounts Due from Business Associates</b>		
	Secured against Base capital Deposits	7,70,376	8,95,321
	Unsecured, considered good	31,15,315	58,78,223
	Doubtful ( See Note 14.3)	1,58,878	10,36,364
		40,44,569	78,09,908
	<b>Amounts Due from Constituents</b>		
	Secured against Shares	50,87,528	48,74,668
	Unsecured, considered good	2,34,00,869	1,45,73,309
		2,84,88,397	1,94,47,977
		5,16,52,660	4,96,46,043

14.2 Long Term Trade receivables as above include amounts receivable in respect of depository services. Considering the market conditions prevailing since last about 4 to 5 years, the Company could not get adequate business from these Clients and accordingly, the same remained unsettled till date. However, irrespective of these situations and amounts remaining unsettled, the Company periodically communicates them their stock holding position, etc. Further, the Company has also adequate internal procedures and control systems by which it has been consistently following with them for settling their dues. It has also adopted various measures including contacting them personally, offering them discounts and incentives, etc. to settle their old dues. In view of all these and other measures, the Company is confident to recover the said dues within its normal periodical cycle and accordingly, it has considered and classified such dues as good and therefore, no provision is considered as necessary.

14.3 As per the terms and conditions of the Agreements executed by the Company with Business Associates, the Company has an absolute right to recover all the dues from them. However, as a good business practice, the Company has adopted cordial and amicable means for recoveries of dues in most practical and fair manner and therefore, it is confident that the amounts classified as doubtful, would be recovered in due course. In view of this, no provision for such doubtful debts is required to be made in the accounts.

## Note 15 Trade Receivables

₹

15.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>Unsecured, considered good (Subject to confirmation)</b>		
	Outstanding for a period exceeding six months from the date they were due for payment	58,52,672	68,46,542
	Other Debts	17,73,357	35,99,064
		76,26,029	1,04,45,606



## Note 16 Cash and Bank Balances

₹

16.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>a) Cash and cash equivalents</b>		
	Balances in Current Accounts	3,94,22,289	2,13,84,300
	Cash on hand	2,84,004	1,72,835
		3,97,06,293	2,15,57,135
	<b>b) Other Bank balances</b>		
	Fixed Deposits with Banks having Maturity of more than three months but within twelve months ( See Note 16.2)[ including Interest accrued but not due of Rs. 29,89,725/- (previous year Rs. 12,46,310/-)]	4,50,89,726	3,53,52,981
	Fixed Deposits with Banks having Maturity of more than Twelve months ( See Note 16.2, 16.3 & 16.4) [ including Interest accrued but not due of Rs. 68,46,475/- (previous year Rs.4,88,556/-)]	15,67,41,476	15,43,48,598
		24,15,37,495	21,12,58,714

- 16.2 Fixed Deposits with Banks include Rs.6,15,00,000/- (Previous Year Rs.5,40,00,000/-) pledged against guarantees given by banks.
- 16.3 Fixed Deposits with Bank of India include Rs. 6,00,00,000/- (Previous Year Rs. 6,00,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Nucleus IT Enabled Services Limited., the wholly owned subsidiary of the Holding company, for its business purpose.
- 16.4 Fixed Deposits with Bank of India include Rs. 6,25,00,000/- (Previous Year Rs. 6,25,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Asit C Mehta Commodity Services Ltd., the erstwhile wholly owned subsidiary, for its business purpose.
- 16.5 The aforesaid entities in respect of whom Fixed Deposits have been pledged with Bank of India have duly complied with the Interest obligation.



## 17 Short Term Loans &amp; Advances ₹

17.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Others</b>		
Unsecured, considered good		
Security Deposits for Premises	-	2,63,474
Loans To Staff	3,91,500	2,00,500
Loan to wholly owned subsidiary -Asit C. Mehta Comdex DMCC * (Maximum balance outstanding Rs.29,81,210; P.Y. Rs. 12,27,208)	29,81,210	12,27,208
Loan to Asit C. Mehta Commodity Services Ltd.** (Including interest accrued Rs. 10,20,472; P.Y. Rs.14,84,774)	75,80,472	14,84,774
Cenvat Credit Receivable	5,92,706	10,94,375
Service Tax Refund Receivable	5,53,339	-
Prepaid Expenses	31,30,343	35,29,169
Deposit with Clearing house	43,17,234	36,69,019
Deposit with Stock Exchange	10,000	10,000
Balances with Stock Exchanges (Net)	4,11,70,076	79,30,742
<u>Shares Received As Margin From [See Note 8.2]</u>		
Constituents	2,27,41,904	2,63,47,071
Advances recoverable in cash or in kind or for value to be received (Includes receivable from Holding Company Rs. 378,195; Previous Year Rs. 6,549)	8,61,850	5,02,257
	<b>8,43,30,634</b>	<b>4,62,58,589</b>

\* Total loans given for business purpose Rs.1,606,004/- (Previous Year Rs.1,227,208/-) and have been utilised for the same.

\*\* Wholly Owned Subsidiary till 30-03-2015. Total loans given were Rs. 109,520,472/- (Previous Year Rs. 505,000,969/-) and received back Rs. 101,940,000/- (Previous Year Rs.539,440,165/-). The loans were for business purpose and have been utilised for the same.

Loans granted to Fellow Subsidiary Nucleus IT Enabled Services Limited during the year and received back Rs. 31,00,000/- (Previous Year Rs. Nil). The loans were for business purpose and have been utilised for the same.

## Note 18 Other Current Assets ₹

18.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Amounts Due from Business Associates</b>		
Secured against Base capital Deposits, considered good	18,205	2,31,629
Unsecured, considered good	10,173	2,34,007
	28,378	4,65,636
<b>Amounts Due from Constituents</b>		
Secured against Shares, considered good	5,74,76,565	7,04,65,891
Unsecured, considered good	1,01,72,784	1,45,03,204
	6,76,49,349	8,49,69,095
Fixed Assets held for Disposal (At Net Realisable Value)	55,26,182	90,47,379
Receivable for Sale of Office Premises from Holding Company	7,54,10,919	5,80,64,720
Interest Accrued But Not Due on Other Deposits	43,305	31,039
	<b>14,86,58,133</b>	<b>15,25,77,869</b>

18.2 Amounts due from Business Associates, Constituents and Advances are subject to confirmation.

18.3 The amounts due from Constituents represent amounts receivable on account of Securities broking transactions. These accounts comprise the running transactions by the constituents.



## Notes to the Financial Statements

## Note 19 Revenue from Operations

₹

19.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Sale of services</b>		
	Brokerage from Stock Exchange Operations	19,11,19,900	23,18,28,595
	Brokerage from Money Market Operations	5,43,604	25,88,282
	Brokerage income from Mutual Fund	79,54,596	1,02,63,703
	Demat Income	2,10,92,167	3,07,30,137
	Arranger Fees for Fund Mobilization	18,45,087	9,85,947
	Corporate Advisory Services / Merchant Banking	14,09,129	47,28,492
	<b>b) Other Operating Revenue</b>		
	Profit / (Loss) on Security Transactions	(41,49,351)	13,44,983
	Miscellaneous Receipts	99,14,247	81,94,032
		<b>22,97,29,379</b>	<b>29,06,64,170</b>

19.2 Miscellaneous Receipts include Rs. 68,51,163/- (Rs. 53,93,799/-) being Income from Late Payment

## Note 20 Other Income

₹

20.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Interest Income</b>		
	Interest on Fixed Deposits with banks	1,53,74,110	62,32,238
	Interest from Holding Company on delayed payment of Sale Consideration	52,50,604	-
	Interest on Loan	11,45,108	-
	Interest on Security Deposit with clearing Corporation	1,55,661	1,52,990
	Interest on Loan from erstwhile wholly owned subsidiary	-	75,34,767
	Interest on Income - tax Refund	80,64,935	9,92,213
	Interest - Miscellaneous	-	73,654
	<b>b) Dividend income</b>	11,249	34,354
	<b>c) Profit on Sale of Office premises</b>	21,07,524	-
	<b>d) Realised Gain on Sale of Office premises [See Note 1.3 (vii)]</b>	4,79,57,358	-
	<b>e) Leave and License Fees Received</b>	35,91,000	-
	<b>f) Foreign Exchange Difference (Gain)</b>	1,47,998	-
	<b>g) Profit on sale of Non current investments</b>	-	3,52,937
	<b>h) Other income</b>		
	Miscellaneous Income	2,44,740	1,93,347
		<b>8,40,50,287</b>	<b>1,55,66,500</b>



## Note 21 Employee Benefits Expense

₹

21.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	Salaries, Allowances and Bonus	7,21,09,664	5,80,51,678
	Directors' Remuneration	24,12,000	26,82,250
	Contribution to Provident Fund and Other Funds	27,45,209	18,31,155
	Contribution and Payments for Gratuity	12,89,282	19,22,426
	Staff Welfare Expenses	18,12,492	17,55,882
		8,03,68,647	6,62,43,391

## 21.2 The disclosure required under Accounting Standard 15 "Employee Benefits"

## a) Defined contribution plan:

Contribution to defined contribution plan recognized and charged to the Statement of Profit and Loss are as under:

	2015-2016	2014-2015
Employer's contribution to Provident fund and Pension Fund (including of Whole time Director)	29,07,209	20,74,155

## b) Defined Benefit Plan

The employees' gratuity fund scheme is managed by the Life Insurance Corporation of India and Kotak Life Insurance which is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method.

The obligation and year end liability in respect of leave encashment is determined based on the actuarial valuation using the Projected Unit Credit method carried out by an independent actuary.

## a) Reconciliation of opening and closing balances of Defined Benefit obligation

₹

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Benefit Obligation at the beginning of the year	62,83,353	1,36,027	48,89,929	7,65,868
Error in disclosure of obligation of earlier year	3,93,702	-	-	-
Current Service Cost	12,14,555	1,52,017	10,19,970	1,08,682
Interest Cost @ 8.35% (P.Y. 8.35%)	4,62,313	(1,315)	5,53,394	33,480
Actuarial (gain) / loss	66,032	1,71,069	6,36,775	15,738
Benefit Paid	(14,99,923)	(3,05,781)	(8,16,715)	(7,87,741)
Total Defined Benefit Obligation at the year end	69,20,032	1,52,017	62,83,353	1,36,027

## b) Table showing Changes in Fair value of Planned assets

₹

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of planned assets at the beginning of the year	64,21,744	Not Applicable	40,92,377	Not Applicable
Error in disclosure of fair value of planned asset of earlier year	2,12,125	-	-	-
Expected return on planned assets	5,41,600	-	5,21,600	-
Contribution	12,05,370	-	26,24,482	-
Actuarial (gain) / loss	(51,352)	-	-	-
Benefits paid	(14,99,923)	(3,05,781)	(8,16,715)	(7,87,741)
Fair value of planned assets at the year end	68,29,564	(3,05,781)	64,21,744	(7,87,741)



## c) Expenses recognized during the year

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	12,14,555	1,52,017	10,19,970	1,08,682
Expected Return on Plan Assets	(5,41,600)	-	(5,21,600)	-
Actuarial (gain) / loss	1,17,384	1,71,069	(7,88,059)	15,738
Interest Cost @ 8.35% (P.Y. 8.35%)	4,62,313	(1,315)	5,53,394	33,480
<b>Total</b>	<b>12,52,652</b>	<b>3,21,771</b>	<b>2,63,705</b>	<b>1,57,900</b>

## d) Actuarial Assumptions

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Rate (L.I.C.)	I.A.L.M (2006-08) Ult. (Ultimate)	I.A.L.M (2006-08) Ult. (Ultimate)	I.A.L.M (2006-08) Ult. (Ultimate)	I.A.L.M (2006-08) Ult. (Ultimate)
Withdrawal Rate	1%	1%	1%	1%
Discount Rate/Interest Rate	8.00%	8.00%	7.80%	7.80%
Salary Escalation	5%	5%	5%	5%
Retirement Age	58 Years	58 Years	58 Years	58 Years

## Note 22 Finance Cost

22.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Interest Expense</b>		
	On Term Loan from bank	-	6,52,727
	On Term Loan from NBFC	70,19,179	1,34,247
	On Cash Credit Accounts	2,02,45,658	1,74,27,291
	On Car Loans	-	13,277
	On Deposits from Public and Shareholders	-	3,43,328
	On Inter corporate Deposits	8,84,541	4,64,172
	On Unsecured Debentures	25,26,904	1,04,46,376
	Interest paid to Others	-	16,86,475
	Miscellaneous Interest	34,304	6,088
	<b>b) Other Borrowing Cost</b>		
	Bank Guarantee Commission	16,98,804	19,15,360
	Processing Fees for Loan	7,83,471	5,68,142
		<b>3,31,92,861</b>	<b>3,36,57,483</b>



## Note 23 Other Expenses

₹

23.1

Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
Business Associates Expenses	9,62,63,885	11,67,03,859
Service Charges Demat	38,48,804	37,85,487
Leave and License Fees for Premises	1,31,33,988	1,23,59,670
Office Maintenance	19,33,341	14,84,765
Marketing Expenses	68,05,306	71,17,425
Membership & Subscription	39,01,297	35,47,343
Travelling and Conveyance Expenses	18,19,227	11,84,124
<u>Repairs and Maintenance</u>		
To Equipments	66,41,233	38,43,844
To Others	34,18,784	17,85,699
Electricity Charges (Net)	38,34,800	49,93,850
Communication, Connectivity & Telephone Expenses (Net)	36,11,495	50,21,985
Postage and Courier Expenses	21,98,056	29,45,713
Printing and Stationery (Net)	19,38,742	24,20,542
Legal and Professional Fees	87,67,619	57,95,356
Fixed Assets Written Off	26,17,443	2,93,961
Loss On Sale Of Assets	49,995	42,261
Impairment Loss On Assets held for Disposal	35,21,197	19,00,274
Insurance	1,18,845	1,82,324
<u>Auditors' Remuneration (Net of Service Tax) :</u>		
- Audit and Tax Audit Fees	8,25,000	7,93,000
- Taxation Matter	1,25,000	1,15,000
- Other Services	52,924	2,22,500
- Out of Pocket Expenses	-	37,164
Miscellaneous Expenses	38,15,995	68,12,127
Securities Transaction Tax	1,60,729	2,78,430
Rates & Taxes	5,22,424	4,67,000
Fees For Increase In Share Capital	-	4,09,950
Service Tax & Swachh Bharat Cess	3,60,927	2,69,874
Stamp Duty	49,05,100	4,62,597
Amounts written off	60,26,013	-
Prior Period Expenses	4,57,571	2,70,117
	<b>18,16,75,741</b>	<b>18,55,46,242</b>



## Notes to the Financial Statements

## 23.2 Operating Lease:

During the year, the Company has entered into and/or renewed the agreements / arrangements in respect of premises on leave and license basis under cancellable operating lease. The period of such arrangements varies from 11 months to 60 months with right to renew and a right to terminate the lease arrangements by giving intimation in agreed manner.

The payments in respect of the above for the year amounting to Rs.13,133,988/- [Previous year Rs. 12,359,670/-] are shown as Leave & License Fees.

The committed lease rental as on the date of balance sheet relating to the future periods are:

Particulars	As at 31/03/2016	As at 31/03/2015
Not More than one Year	1,80,35,300	1,09,24,380
Later than one Year and not more than 5 years	1,11,00,000	2,07,23,440
Later than 5 years	-	-

## Note 24 Basic and Diluted Earning per Share:

24.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Basic Earning per Share:</b>		
Net Profit / (loss) after Tax	82,59,947	80,28,472
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	82,59,947	80,28,472
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,11,11,111	88,23,744
<b>Basic Earning per Share</b>	<b>0.74</b>	<b>0.91</b>
<b>Diluted Earning per Share:</b>		
Net Profit / (loss) after Tax	82,59,947	80,28,472
Add: Debenture Interest (Net of Tax)	17,46,091	42,936
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	1,00,06,038	80,71,408
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,11,11,111	88,23,744
<b>Add: Potential number of Equity Shares that could arise on :</b>		
(i) Conversion of 14% Unsecured Compulsory Convertible Debentures	6,00,000	13,151
Weighted Average number of Equity Shares	1,17,11,111	88,36,895
<b>Diluted Earning Per Share</b>	<b>0.85</b>	<b>0.91</b>





## Notes to the Financial Statements

## \* Note 25 Contingent Liabilities &amp; Commitments

## 25.1 Contingent Liabilities

Particulars	As at 31/03/2016	As at 31/03/2015
<b>a) Claims against the Company not acknowledged as debt</b>		
i) Disputed Claims against Company, not provided for.	7,83,708	3,66,904
ii) Company's claims not accepted and matters under litigation	8,93,568	8,93,568
<b>b) Others for which the Company is contingently liable</b>		
Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities	-	-
<b>c) Capital commitment</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	1,72,17,500	1,95,44,000
	<b>1,88,94,776</b>	<b>2,08,04,472</b>

## 25.2 Details of Arrears of Dividend on Preference Shares

<b>a) On 9% Cumulative Redeemable Preference Shares</b>	1,62,00,000	1,21,50,000
<b>b) On 4% Cumulative Redeemable Preference Shares, Redeemable with Premium of 5% per year or part of year</b>	12,08,219	6,08,219
<b>c) On 4% Cumulative Redeemable Preference Shares</b>	10,14,795	2,14,795

25.3 Asit C. Mehta Financial Services Limited, the Holding Company, has borrowed Rs. 10 Crores from ECL Finance Limited and Rs. 10 Crores from ICICI Bank Limited., in aggregate Rs.20 Crores. As per the said lender's requirements, the company has been made as co-applicant/ co-borrowers in all the documents and accordingly, the company has signed the documents.

Note 26 The disclosure as required by the Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	Balance as at 01/04/2015	Additions during the year	Amounts paid during the year	Amounts reversed during the year	Balance as at 31/03/2016
Provision for Leave Salary (Refer Note 21.2)	136,027	1,52,017	1,36,027	-	1,52,017
(Previous Year)	(765,868)	(136,027)	(765,868)	(-)	(136,027)
Provision for Diminution in Value of Investments	(-)	(-)	(-)	(-)	(-)
(Previous Year)	(1,182,286)	(-)	(-)	(1,182,286)	(-)



## 27 SEGMENT REPORTING

The Company's business is to provide Securities & Stock broking and other related services to its clients in the capital and debt market. Accordingly, it has only one segment.

## 28 RELATED PARTY DISCLOSURES

## a. Key Management Personnel (KMP)

Mrs. Deena A. Mehta	Managing Director
Mr. Kirit H. Vora	Wholetime Director
Mr. Asit C. Mehta	Wholetime Director
Mr. Pankaj Parmar	Chief Financial Officer

## b. Relatives of Key Management Personnel (No transactions during the year)

Mr. Thakorbhai N. Desai	Father of Deena A. Mehta
Mrs. Shobhnaben T. Desai	Mother of Deena A. Mehta
Mr. Jayesh T. Desai	Brother of Deena A. Mehta
Mr. C. S. Mehta	Father of Asit C. Mehta
Mrs. Ansuva Mehta	Mother of Asit C. Mehta
Mr. Ashish C. Mehta	Brother of Asit C. Mehta
Mr. Aditya Asit Mehta	Son of Asit C. Mehta
Mr. Aakash Asit Mehta	Son of Asit C. Mehta
Mrs. Neeta K. Vora	Wife of Kirit H. Vora

## c. Other Related Parties

Name	Nature of Relationship
Asit C. Mehta Commodity Services Ltd.	Company over which the Company has significant influence and control (Previous Year Wholly Owned Subsidiary with effect from 31st March 2012 till 30th March 2015)
Asit C. Mehta Comdex Services, DMCC	Wholly Owned Subsidiary with effect from 11th January 2007 (incorporated and registered under The Registrar of Companies of the Dubai Multi Commodities Centre Authority)
Asit C. Mehta Forex Pvt. Ltd.	Enterprise over which KMP and Relatives of KMP have control (No transactions during the year)
Asit C. Mehta Financial Services Ltd.	Holding Company
Nucleus IT Enabled Services Ltd.	Fellow Subsidiary
Asit C. Mehta Real Estate Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) and Relatives of KMP have control (No transactions during the year)
Edgytal Digital Marketing Private Limited	Enterprise over which relative of KMP (i.e. executive directors) have control
Pentation Analytics Private Limited	Enterprise over which KMP (i.e. executive directors) have significant influence and control
ACM Commodity Services Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) have significant influence and control (No transactions during the year)
Balmukund Investment Company Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) have significant influence and control (No transactions during the year)
Tipstop Software Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) and Relatives of KMP have control (No transactions during the year)



## d. Transactions during the year:

Sr.No	Particulars	Subsidiary / Fellow Subsidiary	Company over which the Company has significant Influence & Control (During Previous Year, Subsidiary upto 30.03.2015)	Holding Company	Enterprise over which relative of KMP have control	Enterprise over which KMP have significant influence and control	KMP	Total
1	Preference Share Capital 20,00,000- 4% Cumulative Redeemable Preference Shares of Rs.10 each to Asit Mehta and Deena Mehta	-	-	-	-	-	(2,00,00,000)	(2,00,00,000)
2	Equity Share Capital ( Including Premium Rs 6.42,22,220/-) 32,11,111 - Equity Shares issued to Asit C. Mehta Financial Services Ltd. on 15.12.2014 on conversion of Compulsory convertible Debentures	-	-	(9,63,33,330)	-	-	-	(9,63,33,330)
3	Assets Deposit for Office Premises	-	-	-	-	-	5,00,000	5,00,000
4	14% Unsecured Compulsory convertible Debentures Issued to Asit C. Mehta & Deena Mehta	-	-	-	-	-	-	-
5	Amount Given and Received back towards WDM Trades with Asit C. Mehta Financial Services Ltd	-	-	(95,64,720)	-	-	-	(95,64,720)
6	Amount Given & Received back on security transactions ( PF Deals )	-	-	13,34,76,238	-	-	-	13,34,76,238
7	Loan Given & Received back from Nucleus IT Enabled Services Limited	31,00,000	-	(12,66,70,000)	-	-	-	(12,66,70,000)
8	Loan Given to Asit C Mehta Commodity Services Ltd.	-	10,95,20,472	-	-	-	-	10,95,20,472
9	Loan Received Back from Asit C Mehta Commodity Services Ltd.	-	(50,50,00,969)	-	-	-	-	(50,50,00,969)
10	Loan given to Asit C Mehta Comdex DMCC	16,06,004	(53,94,40,165)	-	-	-	-	(53,94,40,165)
		(12,27,208)	-	-	-	-	-	(12,27,208)



Sr.No	Particulars	Subsidiary Fellow Subsidiary	Company which over the Company has significant & Control (During Previous Year, Subsidiary upto 30.03.2015)	Holding Company	Enterprise over which relative of KMP have control	Enterprise over which KMP have significant influence and control	KMP	Total
11	<b>Income / Recoveries</b> Sale of office premises and Electrical Fittings to Asit C Mehta Financial Services Ltd.	-	-	7,94,01,654	-	-	-	7,94,01,654
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
12	Interest Income from Asit C Mehta Commodity Services Ltd.	-	11,33,858	-	-	-	-	11,33,858
		(-)	(75,34,767)	(-)	(-)	(-)	(-)	(75,34,767)
13	Interest Income from Nucleus IT Enabled Services Limited.	11,250	-	-	-	-	-	11,250
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
14	Interest Income from Asit C Mehta Financial Services Ltd.	-	-	52,50,604	-	-	-	52,50,604
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
15	Reimbursement (recovered) of Electricity, Data Card, Private Wire Expenses & Telephone expenses by Asit C Mehta Financial Services Ltd.	-	-	13,02,029	-	-	-	13,02,029
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
16	Reimbursement (recovered) of Internet Charges & Printing & Stationery expenses by Nucleus It Enabled Services Ltd.	48,384	-	-	-	-	-	48,384
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	<b>Expenditure</b>							
17	Leave and License Fees paid	-	-	1,03,24,505	-	-	-	1,03,24,505
		(-)	(-)	(87,50,580)	(-)	(-)	(-)	(87,50,580)
18	Leave and License Fees paid to Deena Mehta	-	-	-	-	-	14,40,000	14,40,000
		(-)	(-)	(-)	(-)	(-)	(16,20,000)	(16,20,000)
19	Leave and License Fees paid to Asit Mehta	-	-	-	-	-	7,20,000	7,20,000
		(-)	(-)	(-)	(-)	(-)	(9,50,000)	(9,50,000)
20	Professional Fees paid to Fellow Subsidiary	8,57,000	-	-	-	-	-	8,57,000
		(3,42,000)	(-)	(-)	(-)	(-)	(-)	(3,42,000)
21	Interest Paid on Unsecured Debentures to Asit C Mehta Financial Services Ltd.	-	-	-	-	-	-	-
		(-)	(-)	(1,03,84,240)	(-)	(-)	(-)	(1,03,84,240)
22	Remuneration (Including Contribution to PF)	-	-	-	-	-	40,89,777	40,89,777
		(-)	(-)	(-)	(-)	(-)	(26,12,250)	(26,12,250)
23	Reimbursement of Electricity Expenses paid to Asit C Mehta Financial Services Limited	-	-	3,66,101	-	-	-	3,66,101
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
24	Marketing Expenses paid to Edgytal Digital Marketing Private Limited	-	-	-	16,60,509	-	-	16,60,509
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
25	Marketing Expenses paid to Pentation Analytics Private Limited	-	-	-	-	4,50,000	-	4,50,000
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
26	Interest on Debentures to Asit C. Mehta & Deena Asit Mehta	-	-	-	-	-	25,26,904	25,26,904
		(-)	(-)	(-)	(-)	(-)	(62,136)	(62,136)

(Figures in brackets relate to previous year)



## e. Amounts outstanding:

Sj. No	Particulars	Subsidiary Fellow Subsidiary	Company over which the Company has significant Influence & Control (During Previous Year, Subsidiary upto 30.03.2015)	Holding Company	Enterprise over which relative of KMP have control	Enterprise over which KMP have significant influence and control	KMP	Total
1	Investments	75,14,370 (75,14,370)	2,42,00,000 (2,42,00,000)	- (-)	- (-)	- (-)	- (-)	3,17,14,370 (3,17,14,370)
2	Deposits for Premises	- (-)	- (-)	2,62,51,740 (2,62,51,740)	- (-)	- (-)	4,30,00,000 (4,25,00,000)	6,92,51,740 (6,87,51,740)
3	Amounts Payable to Asit C Mehta Financial Services Limited	- (-)	- (-)	2,27,746 (-)	- (-)	- (-)	- (-)	2,27,746 (-)
4	Amounts Receivable from Nucleus It Enabled Services Limited	63,584 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	63,584 (-)
5	Amount Receivable from Asit C Mehta Financial Services Limited	- (-)	- (-)	7,57,89,114 (5,80,71,269)	- (-)	- (-)	- (-)	7,57,89,114 (5,80,71,269)
6	Amount Receivable from Asit C Mehta Commodity Services Ltd.	- (-)	75,80,472 (14,84,774)	- (-)	- (-)	- (-)	- (-)	75,80,472 (14,84,774)
7	Receivable on Loan account from ACM Comdex DMCC	29,81,210 (12,27,208)	- (-)	- (-)	- (-)	- (-)	- (-)	29,81,210 (12,27,208)

(Figures in brackets relate to previous year)

Apart from the above, the Managing Director and Wholtime director have furnished Collaterals by creating suitable mortgage on certain personal immovable and personal guarantees in favour of the State Bank of India & Bank of India for securing various credit facilities sanctioned to the Company.



29	Expenditure in Foreign Currency	As at 31/03/2016	As at 31/03/2015
	Travelling Expenses	87,731	61,025

30 For ascertaining the impairment loss, in respect of the Fixed Assets held for disposal, in the year 2014-15, the Company appointed Technical Advisors to estimate the possible net realizable value of the said items of Fixed Assets. The said Technical Advisors have determined and submitted their Valuation Report for the Year 2014-15 in respect of each item of Fixed Assets held for disposal. Accordingly, based on this Valuation Report, the Company has continued to recognize the impairment loss on the same basis and has recognised impairment loss of Rs. 35,21,197/- ( Previous year Rs.19,00,274/-) in its books.

31 Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE  
For CHANDRAKANT & SEVANTILAL  
Chartered Accountants

Firm Registration No. 101675W

(PRADEEP S. SHAH)

Partner

Membership No : 030632

(DEENA A. MEHTA)  
Managing Director

(KIRIT H. VORA)  
Whole Time Director

(PANKA PARMAR)  
Chief Financial Officer

PLACE : MUMBAI

DATED :

20 MAY 2016

PLACE : MUMBAI

DATED :

20 MAY 2016



**INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE MEMBERS OF ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at **31<sup>st</sup> March, 2016**, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Holding Company and its subsidiary company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for



preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

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

While conducting the audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected





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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

**Basis for Qualified Opinion**

- (1) The Group continues to carry brought forward balance of deferred tax asset amounting to Rs. 1,37,25,069/- out of the total deferred tax asset to the extent of Rs. 2,66,69,073/-, which was created and recognized in the past by the Holding Company, based on the business loss and unabsorbed depreciation.

Considering the Group's business losses in the past, the carrying amount of the said deferred tax assets needed further review in the current year. However, the Group has reviewed it only partially and the said balance is carried forward as it is virtually certain about future taxable profits.



In absence of adequate evidence supporting the views taken by the Group about the future taxable profits as above, the partial review and resultant carry forward of the said deferred tax asset does not fulfill the requirements, *inter alia*, of writing down it as specified in the Accounting Standard- 22- "Accounting for Taxes on Income". Had the Group reviewed the said deferred tax asset and written it down, then the Consolidated Statement of Profit & Loss would have reflected net loss of Rs. 60,40,564/- and to the extent of not writing down it, the Non-Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.

- (2) In respect of the Group's Trade Receivables of Rs. 1,91,19,694/- and Amounts due from Constituents to the extent of Rs. 1,45,51,988/-, reflected in and classified as Non-Current Assets in the Consolidated Balance Sheet, we were unable to obtain sufficient appropriate audit evidence about their carrying amounts as well as their realisability. Also, they have remained unrealized since last five years or thereabout. In the absence of sufficient appropriate audit evidence supporting the carrying amounts and their resultant realisability, we are unable to express an audit opinion about the Group's view for non-provision for doubtful debts, in the current year. Had the Group prudently made provision for the doubtful debts in respect of the said amounts, then the Consolidated Statement of Profit & Loss would have reflected net loss of Rs. 2,59,87,177/-. To the extent of non-provision for doubtful debts of the said amounts, the Non-Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.



# CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

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- (3) In respect of the amounts carried forward as "Fixed assets held for disposal" ("these Assets") at Rs. 55,26,182/-, reflected in and classified as Other Current Assets in the Consolidated Balance Sheet, we were unable to obtain sufficient appropriate audit evidence about their carrying amounts as well as their realisability. Also, these Assets have remained undisposed off or unrealized since last four years or thereabout. Moreover, over a period of four years or thereabout, the Group has written off about Rs. 1,64,41,849/- as impairment loss. Thus, in absence of sufficient appropriate audit evidence supporting the carrying amounts and their resultant realisability and further Group's actions of writing off them as impairment losses year after year, we are unable to express an audit opinion about the Group's view for so classifying and carrying and reflecting them at net realisable value in the current year. Had the Group prudently reviewed the said amounts and consequently written off in the current year, then the Consolidated Statement of Profit & Loss would have reflected net profit of Rs. 21,58,323/-. To the extent of not writing off, the Other Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.

The combined possible financial effects of the above item (1), (2) and (3) are that:

- the Consolidated Statement of Profit & Loss would have reflected net loss of Rs. 4,52,38,428/-, against the net profit reflected presently at Rs. 76,84,505/-; and consequently, the balance of Reserves and Surplus would have been in negative at Rs. (8,31,07,770/-), against the said balance presently being reflected at Rs. (3,01,84,837/-); and



- the Non-Current Assets and Other Current Assets would have been lower by an aggregate amount of Rs. 5,29,22,933/-.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **31<sup>st</sup> March, 2016**, and its consolidated profit and its consolidated cash flows for the year ended on that date.

### Other Matters

(a) We did not audit the financial statements/financial information of an overseas wholly owned subsidiary, which follows calendar year as its financial year ended on **31<sup>st</sup> December, 2015** and accordingly, the management has prepared and presented its financial statements comprising Balance sheet and Statement of Profit and Loss/financial information for the period **1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016**, by converting the assets, liabilities, income and expenses from the foreign currency into the reportable currency of the Holding Company. These financial statements/financial information are not audited by the said subsidiary's statutory auditors. As per these unaudited financial statements/financial information, there are total assets of Rs. 86,95,538/- as at **31<sup>st</sup> March, 2016** and total revenues is Rs. Nil and the management has not prepared and presented its cash flows statement. These have been considered



# CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

Pradeep S. Shah  
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in the consolidated financial statements. Since these financial statements/financial information, prepared and presented by the management, have not been audited by their auditors, we have not been furnished any audit report thereon and accordingly, our opinion on the consolidated financial statements, in terms of sub-sections (3) and (11) of the Act, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on these unaudited financial statements/financial information and Holding Company's certification/representation thereto. In our opinion and according to the information and explanations given to us by the management, these unaudited financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the unaudited financial statements/financial information certified by the management.

(b) Attention is invited to the Note No. 11.2 in the consolidated financial statements regarding the management's view for non-recognition of diminution in value of investments by the Group in a public company in which the Holding Company holds 100% of the total equity capital and voting power.

Our opinion is not qualified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:



- (a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, obtained all the other information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) in our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) in our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



**CHANDRAKANT & SEVANTILAL**

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- (e) on the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors of the Holding Company, none of the other directors of the Group's companies, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure "A" attached herewith;
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Group has disclosed the impact of pending litigations on its financial statements in Note 25.1 (a) & (b) to the consolidated financial statements.



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

For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675 W

*P. S. Shah*

(PRADEEP S. SHAH) Partner  
Membership No. 030632

Mumbai:  
Dated: 20<sup>th</sup> May, 2016





**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE CONSOLIDATED FINANCIAL STATEMENTS OF ASIT C. MEHTA  
INVESTMENT INTERMEDIATES LIMITED**

[Referred to in clause (g) of paragraph under "Report on Other Legal and Regulatory Requirements" section of our report of even date]

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

We have audited the internal financial controls over financial reporting of **ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED** ("the Holding Company") as of **31<sup>st</sup> March, 2016** in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date. The Subsidiary of the Holding Company is incorporated outside India and accordingly, this Report does not cover the audit of the internal financial controls over financial reporting in respect of the said Subsidiary.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" (the "Guidance Note") issued by the



Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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 Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the



design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31<sup>st</sup> March, 2016:

- (a) The Holding Company did not have an appropriate internal control system in respect of obtaining external evidence with regard to the outstanding dues/ balance confirmation from the Customers and Amounts due from Constituents Clients, from whom the amounts are due and receivable as per its books since long period of time, which could potentially result adversely in establishing its claims and therefore reasonable certainty of their ultimate collection.
- (b) The Holding Company did not have an appropriate internal control system in respect of conducting periodically the physical verification of the fixed assets and of the fixed assets held for disposal and their reconciliation with the book records. As a result, the Holding Company could not ascertain the discrepancy between the book records and the assets lying physically and also could not ascertain the resultant loss of the said assets.



# CHANDRAKANT & SEVANTILAL

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A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31<sup>st</sup> March, 2016**, based on the internal control over financial reporting criteria established by the Holding 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at **31<sup>st</sup> March, 2016**, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Group, except to the extent stated therein.

Mumbai:  
Dated: 20<sup>th</sup> May, 2016



For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

*P. S. Shah*

(PRADEEP S. SHAH) Partner  
Membership No. 030632

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.  
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As at 31/03/2016	As at 31/03/2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	19,11,11,110	19,11,11,110
(b) Reserves and Surplus	3	(3,01,84,837)	1,09,07,052
		16,09,26,273	20,20,18,162
<b>2 Non-Current Liabilities</b>			
(a) Long-term borrowings	4	6,80,00,000	6,80,00,000
(b) Other Long-term Liabilities	5	3,58,33,881	3,82,70,357
		10,38,33,881	10,62,70,357
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	6	18,46,22,042	15,25,94,391
(b) Trade Payables	7	1,45,55,104	1,66,01,654
(c) Other current liabilities	8	25,89,69,539	28,10,45,923
(d) Short-term provisions	9	2,59,457	1,98,152
		45,84,06,142	45,04,40,120
<b>TOTAL</b>		<b>72,31,66,296</b>	<b>75,87,28,639</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		2,53,82,721	11,55,73,629
(ii) Intangible assets		1,06,07,916	63,28,239
		3,59,90,637	12,19,01,868
(b) Non-current investments	11	2,45,09,218	3,20,23,588
(c) Deferred tax assets (net)	12	1,34,99,149	1,72,35,300
(d) Long-term loans and advances	13	10,96,48,014	11,73,81,062
(e) Other non-current assets	14	5,16,52,660	4,96,46,043
		19,93,09,041	21,62,85,993
<b>2 Current Assets</b>			
(a) Trade Receivables	15	76,26,029	1,04,45,606
(b) Cash and Bank Balances	16	24,24,43,009	21,12,58,714
(c) Short-term loans and advances	17	8,91,39,448	4,62,58,589
(d) Other current assets	18	14,86,58,133	15,25,77,869
		48,78,66,619	42,05,40,778
<b>TOTAL</b>		<b>72,31,66,296</b>	<b>75,87,28,639</b>

Significant Accounting Policies and Notes to Consolidated Accounts

1 to 33

AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

*P. S. Shah*

(PRADEEP S. SHAH)

Partner

Membership No : 030632

FOR AND ON BEHALF OF BOARD OF DIRECTORS

*Deena A. Mehta*

(DEENA A. MEHTA)

Managing Director

*Kirti H. Vora*

(KIRTI H. VORA)

Whole Time Director

*Pankaj Parmar*

(PANKAJ PARMAR)

Chief Financial Officer

PLACE : MUMBAI

DATED : 20TH MAY, 2016



PLACE : MUMBAI

DATED : 20TH MAY, 2016



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

Particulars		Note No.	For the year ended 31/03/2016	For the year ended 31/03/2015
<b>I</b>	<b>INCOME</b>			
1	Revenue from operations	19	22,97,29,379	29,06,64,170
2	Other income	20	8,39,02,289	1,55,66,500
	<b>Total Revenue</b>		<b>31,36,31,668</b>	<b>30,62,30,671</b>
<b>II</b>	<b>EXPENDITURE</b>			
1	Employee benefits expense	21	8,03,68,647	6,62,43,391
2	Finance costs	22	3,31,92,861	3,36,57,483
3	Depreciation and amortization expense		1,08,64,453	1,54,91,729
	Less : Transfer from Revaluation Reserve		(8,19,036)	(8,25,805)
			1,00,45,417	1,46,65,924
4	Other expenses	23	18,21,03,185	18,55,46,242
	<b>Total Expenses</b>		<b>30,57,10,110</b>	<b>30,01,13,040</b>
<b>III</b>	<b>Profit before Exceptional and Extra Ordinary items and Tax</b>		<b>79,21,558</b>	<b>61,17,631</b>
	<b>Add: Exceptional and Extra Ordinary items</b>		<b>-</b>	<b>-</b>
<b>IV</b>	<b>Profit before tax</b>		<b>79,21,558</b>	<b>61,17,631</b>
	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax ( Net)		(37,36,152)	29,83,321
	(3)(Short)/Excess tax of earlier years (Income Tax Refund)		34,99,099	(10,72,480)
<b>V</b>	<b>Profit after tax for the year</b>		<b>76,84,505</b>	<b>80,28,472</b>
<b>VI</b>	<b>Earnings per equity share:</b>			
	(Face value of Rs.10/- Per Share)	24		
	(1) Basic		0.69	0.91
	(2) Diluted		0.81	0.91

Significant Accounting Policies and Notes to Consolidated Accounts

1 to 33

AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

*(Signature)*  
(PRADEEP S. SHAH)

Partner

Membership No : 030632

FOR AND ON BEHALF OF BOARD OF DIRECTORS

*(Signature)*  
(DEENA A. MEHTA)  
Managing Director

*(Signature)*  
(KIRIT H. VORA)  
Whole Time Director

*(Signature)*  
(PANKAJ PARMAR)  
Chief Financial Officer

PLACE : MUMBAI

DATED : 20TH MAY, 2016



PLACE : MUMBAI

DATED : 20TH MAY, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

Particulars	For the year ended 31/03/2016		For the year ended 31/03/2015	
<b>Cash Flow From Operating Activities</b>				
Net profit/(loss) before tax		79,21,558		61,17,631
<b>Adjustments for</b>				
Depreciation & Amortisation (Net)	1,00,45,417		1,46,65,924	
Interest income	(2,99,79,167)		(1,49,85,862)	
Dividend income	(11,249)		(34,354)	
Interest expense	3,31,92,861		3,35,89,341	
Loss on Sale of Fixed Assets	49,995		42,261	
Profit on Sale of Office Premises	(21,07,524)		-	
Fixed Assets Written Off	26,17,443		2,93,961	
Impairment Loss on Assets held for Disposal	35,21,197		19,00,274	
Realised Gain on sale of office premises	(4,79,57,358)		-	
Profit/loss on Sale of Investments	-		(3,52,937)	
	-	(3,06,28,385)	-	3,51,18,608
<b>Operating profit/(loss) before working capital changes</b>		(2,27,06,827)		4,12,36,239
<b>Adjustments for (Increase)/Decrease in operating assets</b>				
(Increase) / Decrease in Trade Receivables	28,19,576		(82,59,225)	
(Increase) / Decrease in Long Term loans & Advances	77,33,048		(77,00,646)	
(Increase) / Decrease in Other Non Current Assets	(20,06,617)		15,51,426	
(Increase) / Decrease in Other Non Current Investment	75,14,370			
(Increase) / Decrease in Other Bank FD's	(1,21,29,622)		(13,52,83,374)	
(Increase) / Decrease in Short Term Loans & Advances	(4,28,80,860)		11,01,13,836	
(Increase) / Decrease in Other Current assets	39,19,736	(3,50,30,367)	3,46,20,272	(49,57,712)
<b>Adjustments for Increase/(Decrease) in operating liabilities</b>				
Increase / (Decrease) in Long Term liabilities	(24,36,476)		16,13,038	
Increase / (Decrease) in Trade payables	(20,46,549)		17,64,571	
Increase / (Decrease) in Other current liabilities	(2,20,76,384)		(7,98,41,572)	
Increase / (Decrease) in Short term Provisions	61,305		(16,47,133)	
		(2,64,98,104)		(7,81,11,096)
<b>Cash utilised in operating activities</b>		(8,42,35,299)		(4,18,32,568)
Refund recd / (Taxes paid) (Net of Earlier Year Tax Adjustment)		34,99,099		(10,72,480)
<b>Net cash From Operating Activities (A)</b>		(8,07,36,200)		(4,29,05,048)
<b>Cash Flow From Investing Activities</b>				
Purchase of fixed assets	(58,46,965)		(23,25,010)	
Sale of Fixed Assets	8,03,33,829		8,100	
Sale consideration of Assets held for Disposal	-		31,000	
Sale of Investments	-		5,51,087	
Adjustment of Carrying Value in Fixed Assets	(35,21,198)		(19,50,709)	
Interest received	2,99,79,167		1,49,85,862	
Dividend received	11,249		34,354	
<b>Net cash generated from investing activities (B)</b>		10,09,56,083		1,13,34,684





**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

Particulars	For the year ended 31/03/2016		For the year ended 31/03/2015	
<b>Cash Flow From Financing Activities</b>				
Proceeds from issuance of preference shares capital	-		2,00,00,000	
Recd Term Loan from Peerless Financial Services Ltd.	-		5,00,00,000	
Issue of 14% Debentures	-		1,80,00,000	
Repayment / Proceed of Overdraft	3,50,27,650		(1,05,30,686)	
Repayment on Term Loan	-		(1,53,19,257)	
Intercompany deposit received / (repaid)	(30,00,000)		19,50,000	
Repayment of unsecured Loans	-		(37,50,000)	
Interest Paid	(3,31,92,861)		(3,35,89,341)	
<b>Net cash used/generated in financing activities (C)</b>		<b>(11,65,211)</b>		<b>2,67,60,716</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>1,90,54,672</b>		<b>(48,09,648)</b>
<b>Cash and Cash Equivalents - Opening 1st April</b>		<b>2,15,57,135</b>		<b>2,63,66,783</b>
<b>Cash and Cash Equivalents - Closing 31st March</b>		<b>4,06,11,807</b>		<b>2,15,57,135</b>

**NOTES TO CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

**1 Cash & Cash Equivalents Include :**

Cash on Hand	3,27,102	1,72,835
Balances with Banks in Current and Cash Credit Accounts	4,02,84,705	2,13,84,300
	<u>4,06,11,807</u>	<u>2,15,57,135</u>

2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements.

3 Since this is first year of consolidation, in preparing above cash flow statement, the previous year's figures of subsidiary have not been considered.

AS PER OUR REPORT OF EVEN DATE  
For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

(PRADEEP S. SHAH)  
Partner  
Membership No : 030632  
Place : MUMBAI  
DATED : 20TH MAY,2016



FOR AND ON BEHALF OF BOARD OF DIRECTORS

(DEENA A. MEHTA)  
Managing Director

(KIRIT H. VORA)  
Whole Time Director

(PANKAJ PARMAR)  
Chief Financial Officer

Place : MUMBAI  
DATED : 20TH MAY,2016

## Notes forming part of the Consolidated Financial Statements

Note-1

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016****I DESCRIPTION OF BUSINESS**

The Consolidated Financial Statements comprise the financial statements of Asit C Mehta Investment Intermediates Limited ('the Company'), and Asit C Mehta Comdex Services DMCC, hereinafter referred to as ('the Subsidiary'). Together referred to as Group.

The Company was incorporated on 1st December, 1993 under the provisions of the Companies Act, 1956 as a Public Limited Company.

The Company is a member of BSE Ltd., The National Stock Exchange of India Ltd. ("NSE") and Metropolitan Stock Exchange of India Ltd. and is engaged in shares and securities broking in cash, derivative including currency derivative segment, debt markets and mutual fund along with other fund mobilization. The Company is a Category- I Merchant Banker registered under the Securities & Exchange Board of India (Merchant Bankers) Regulations, 1992 and is also engaged in providing services of Investment Banking, Corporate Finance & Advisory.

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

**The Subsidiary**

ASIT C MEHTA COMDEX SERVICES DMCC is a limited liability company incorporated in Dubai Multi Commodities Centre under trade licence No. DMCC - 30582 issued on 06th December, 2006.

The Principal activities of the subsidiary company during the year were of proprietary account on DGCX and other regulated exchanges and platforms and/ or trading only in DGCX listed contracts for clients account subject to holding and maintaining current and valid SCA licence.

The subsidiary company's trade licence has been expired on 5th December 2014 and the same has not been yet renewed.

The pricing policies, terms of services and credit terms are as approved by the management.

**II SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of Preparation of Consolidated Financial Statements.**

The accompanying consolidated financial statements include the accounts of Asit C. Mehta Investment Intermediates Limited and Asit C. Mehta Comdex Services DMCC, its subsidiary and the details of the subsidiary are as under:

Name of the subsidiary	Country of Incorporation	Percentage of holding as on	
		31.03.2016	31.03.2015
Asit C. Mehta Comdex Services DMCC	UAE	100%	100%

The consolidated financial statements of the Group have been prepared on the following basis:

The consolidated financial statements have been prepared in accordance with the accepted accounting principles in India and comply, in all material respects, with the Accounting Standard 21 "Consolidated Financial Statements" as notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

These statements have been prepared on historical cost convention on the accrual basis, except to the extent stated otherwise.

The consolidated financial statements have been prepared based on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses as reported in the financial statements of the Company and its subsidiary in accordance with the Accounting Standard 21.

All inter-group balances and inter-group transactions have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Group's Standalone Financial Statements.

If it is not practicable to use uniform accounting policies in preparing the consolidated financial statements, that fact is disclosed together with the proportions of the items in the consolidated financial statements to which the different accounting policies have been applied.

The excess of the cost of investments in the subsidiary over the proportionate share in equity of the subsidiary as on the date of investments is recognised in the financial statements as Goodwill.

The Goodwill as above, is tested for impairment at the close of each financial year.

For the purposes of consolidation, unaudited financial statement of the subsidiary for the period 1st April 2015 to 31st March, 2016 has been prepared and certified by the management and the same has been considered for consolidation.



**1.2 GENERAL**

- i The Accounts have been prepared on historical cost basis ignoring changes, if any, in the purchasing power of money.
- ii All expenses and income are accounted on accrual basis, except to the extent stated otherwise. Revenue from Depository operations is considered to accrue as one time Transaction charges based on the calendar year.
- iii Income from shares & securities brokerage activities is considered as accrued on the trade date of the transaction.
- iv Income from Brokerage, Demat charges, Fund Mobilization & Corporate Advisory services are exclusive of service tax.

**1.3 STOCK IN TRADE****i CLASSIFICATION**

Shares, debentures and units of mutual funds, etc. acquired and / or held in the course of broking activities are classified as Stock in Trade.

**ii VALUATION**

Shares, units, bonds and debentures are valued at lower of cost or market value.

Cost of stock in trade comprises of purchase price and other levies and taxes and it is arrived at based on Weighted Average method and the same is valued at cost or market value whichever is lower.

**1.4 FIXED ASSETS, INTANGIBLES, VALUATION, DEPRECIATION AND AMORTISATION****The Company**

- i Fixed assets, other than Office Building Premises, are stated at cost of acquisition as reduced by input tax credit available under Service Tax Rules/CENVAT Credit Rules and as reduced by accumulated depreciation and amortization. Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost to bring the asset to its working condition for the intended use.
- ii Office Building Premises are stated at amount as revalued as at 31.03.2011 by an approved valuer and the difference between historical cost and amount so revalued is credited to Revaluation Reserve.
- iii Expenses on intangibles ( software / licenses ) are capitalized if the same are likely to provide significant economic benefits over the future period.
- iv **Depreciation and amortization, etc.**

Depreciation on Fixed Assets has been computed based on the useful lives of each of the items of the Fixed Assets, as existing on 01.04.2014 and on additions, as ascertained by the Valuation Advisor and is computed on Straight Line Method of depreciation, and in the manner and in compliance with the requirements prescribed in Schedule II of the Companies Act, 2013, as applicable for the Financial Year commencing from 01.04.2014.

In respect of each item of the Fixed Assets, existing on the date of the applicability of the requirements of the Schedule II, i.e. on 01.04.2014, the Company has got evaluated technically by the Valuation Advisor by examining physically each such items of Fixed Assets as to their possible total useful lives from the respective dates of purchases, acquisition, etc. and based thereon, the balance remaining useful lives. Also, in respect of additions during the year, the Company has adopted the useful lives of respective item of fixed assets as determined by the Valuation Advisor.

These useful lives, as determined by the Valuation Advisor, are different from the useful lives as specified in Part C of the Schedule II, and the details of which are as under:

Assets	As per Valuer's report	As per Part C of Schedule II	Justification for adopting longer useful lives
Furniture and Fixture	12 years	10 years	i) Due to Regular Maintenance through Qualified Technicians onsite ii) Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.
Computer - End Users	8 years	3 years	
Computer - Server, HUB, Router	10 years	6 years	
Office Building	63 years	60 years	
Office Equipement	11 years	5 years	
Other Equipements **	14 years	5 years	
Electrical Installation	14 years	10 years	
Vehicles	10 years	8 years	
Lift	32 years	15 years	

\*\* Other equipments are Air Conditioners , Communication System and DG sets

Intangible assets, including Softwares and software licences etc. are amortised over the period during which the company expects to obtain economic benefits, but in no case exceeding Ten years from the date of acquisition. The residual value of intangible assets including Softwares and software licences etc. has been adopted as nil.

Intangible assets, including Softwares and software licences etc. are amortised on straight line method over the period during which the company expects to obtain economic benefits as per requirements of Accounting Standard 26 - Intangible Assets .

- v Differential amount of Depreciation on historical cost of office building premises and on revalued amount has been withdrawn from Revaluation Reserve and has been transferred to the Statement of Profit & Loss .

**The subsidiary**

In case of Subsidiary, the cost of fixed assets is their purchase cost together with any incidental expenses of acquisition. Minor purchases of fixed assets are depreciated fully in the year of purchase. The cost of fixed assets is depreciated by equal annual installments over their estimated useful lives.

Depreciation on addition is calculated on a pro-rata basis from the month of addition and on deletion up to and including the month of deletion of the asset.

**vi IMPAIRMENT**

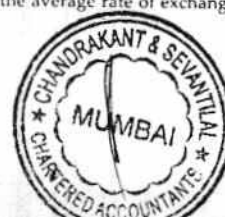
Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. In the opinion of the Management, there is no impairment to the assets except which are held for disposal and classified under other current assets, other than the assets written off during the year.

**vii Revaluation**

Upon sale of revalued asset, the realised gain ( i.e., consideration as reduced by historical cost) being profit of the year is transferred to profit and loss statement (from Revaluation Reserve) and the loss, if any, i.e. net book value in excess of consideration is adjusted to Revaluation Reserve.



- 1.5 INVESTMENTS**
- i CLASSIFICATION**  
Securities acquired and intended to be held for a longer period, including those held for strategic reasons, are classified as Investments.
- ii VALUATION**  
Investments are stated at cost. Provision for diminution in value of long term investment is made, if the same is permanent in nature.
- 1.6 RECEIVABLES and PAYABLES- SUBSIDIARY**
- i Other receivables**  
Other receivables are stated at cost less impairment losses, if any.
- ii Other payables**  
Other payables are stated at cost. Liabilities are recognized for amounts to be paid in the future for goods or services received, whether or not billed to the Subsidiary company.
- 1.7 EMPLOYEES' BENEFITS**
- i** Contribution payable to the recognized provident fund, which is defined contribution plan, is recognized in the Statement of Profit and Loss.
- ii** For liability in respect of staff gratuity, the Company has entered into an agreement with the Life Insurance Corporation of India ("LIC") AND Kotak Life Insurance under the Group Gratuity Scheme and Kotak group Bond Fund respectively. Under these Schemes, the insurers periodically determine the contribution required to be paid by the Company based on the liabilities and funds available in the Company's Policy Fund Accounts and the same is paid or provided in the Accounts. The settlement obligation in respect of the employees gratuity claims remains with the Company and accordingly, on the retirement or termination of the employee from the employment, the gratuity liabilities based on their salary and the years of employment are computed and the insurers pay the same after determining the amounts payable based on the funds available to the credit of the Company's Policy Fund Accounts. The year end liability of the gratuity is actuarially valued by the insurers using Projected Unit Credit Method.
- iii** The liability in respect of leave encashment benefits which is long term defined benefit plan, is determined by the independent actuary and the obligation there under is provided.
- iv** Actuarial gains/losses are accounted in the Statement of Profit and Loss in the respective year.
- 1.8 BORROWING COST**  
Borrowing cost directly attributable to the cost of acquisition or construction of the fixed assets is capitalized as part of the cost of the assets, upto date the asset is put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.
- 1.9 OPERATING LEASE**
- i** Lease of Assets under which all the risk and rewards of ownership are effectively retained by the Lessor is classified as operating lease. Assets are obtained / given on lease on the terms and conditions, as agreed between the parties, relating to right to use, retention of the assets, periodical repairs and maintenance, etc.
- ii** Lease payments / receipts under operating lease arrangements are recognized as expenses / revenue on accrual basis in accordance with respective lease agreements or arrangements.
- 1.10 PROVISION FOR CURRENT AND DEFERRED TAX**
- i** Provision for taxation is made at the current rate of tax in accordance with the provisions of the Income Tax Act, 1961.
- ii** Deferred Tax resulting from "timing difference" between the book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.
- iii** Deferred tax assets arising from carry forward losses, etc. are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Other deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.
- 1.11 PROVISIONS AND CONTINGENT LIABILITIES**
- i** A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made of the obligation. Provisions are not discounted to its present value and are made as per estimate determined by the management considering the requirements to settle the obligation as at the balance sheet date. The provisions made are being reviewed by the management at each balance sheet date so as to adjust to the amount of current estimate.
- ii** Contingent liabilities are disclosed in respect of which there are possible or present obligations that arise from past events but their existence is confirmed on occurrence of or non occurrence of one or more uncertain future events and in respect of which there may not be probably any outflow of resources.
- 1.12 SUNDRY DEBTORS AND OTHER RECEIVABLES**
- i** Provision for Doubtful Debts is recognized on the basis of management's assessment of the probable outcome of the receivables.
- ii** Irrecoverable amounts, if any, are accounted and / or provided for only upon final settlement of accounts with the parties / constituents.
- 1.13 FOREIGN CURRENCY TRANSACTION**  
Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognized in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange differences, if any, are recognized in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the balance sheet.
- 1.14 FOREIGN CURRENCY TRANSLATION**  
In case of financial statements of subsidiary incorporated outside India, all income and expense items are converted at the average rate of exchange applicable for the period. All assets and liabilities are translated at the closing rate as on the balance sheet date.



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**Note 2 Share Capital**

2.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Authorized:</b>		
11,250,000 [Previous Year 11,250,000] Equity Shares of Rs.10 each	11,25,00,000	11,25,00,000
9,000,000 [Previous Year 9,000,000] Preference Shares of Rs.10 each	9,00,00,000	9,00,00,000
	<b>20,25,00,000</b>	<b>20,25,00,000</b>
<b>Issued, Subscribed and fully Paid up:</b>		
<b>EQUITY SHARE CAPITAL</b>		
11,11,111 [Previous Year 11,11,111] Equity Shares of Rs. 10 each [Out of above, 55,61,111 nos. of Equity Shares (Previous Year 55,61,111) are held by Asit C Mehta Financial Services Ltd., Ultimate Holding Company]	11,11,11,110	11,11,11,110
<b>PREFERENCE SHARE CAPITAL</b>		
4,500,000 [Previous Year 4,500,000] 9% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]	4,50,00,000	4,50,00,000
1,500,000 [Previous Year 1,500,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, Redeemable at premium at 5% per year or part of the year]	1,50,00,000	1,50,00,000
2,000,000 [Previous Year 2,000,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]	2,00,00,000	2,00,00,000
	<b>19,11,11,110</b>	<b>19,11,11,110</b>

2.2

**Reconciliation of Number of Shares**

Particulars	Equity Shares	9% Cumulative Redeemable Preference Shares	4% Cumulative Redeemable Preference Shares ( Redeemable at premium at 5% per year or part of the year)	4% Cumulative Redeemable Preference Shares
Shares outstanding at the beginning of the year	1,11,11,111 (79,00,000)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 ( - )
Add : Shares Issued, Subscribed and fully Paid up during the year	(32,11,111)	( - )	( - )	(20,00,000)
Less : Shares Redeemed/Bought back during the year	( - )	( - )	( - )	( - )
Shares outstanding at the end of the year	1,11,11,111 (1,11,11,111)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 (20,00,000)

(Figures in brackets relate to previous year)





**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**2.3 Details of each Shareholder holding more than 5% of share capital**

Name of Shareholder	As at 31/03/2016		As at 31/03/2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>a) Equity Shares</b>				
Shri Asit C. Mehta	31,91,566	28.72	31,91,566	28.72
Smt. Deena A. Mehta	15,37,516	13.84	15,37,516	13.84
Asit C Mehta Financial Services Ltd.	55,61,111	50.05	55,61,111	50.05
Asit C Mehta Commodity Services Ltd.	5,72,500	5.15	5,72,500	5.15
<b>b) 9% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	22,50,000	50.00	22,50,000	50.00
Smt. Deena A. Mehta	22,50,000	50.00	22,50,000	50.00
<b>c) 4% Cumulative Redeemable Preference Shares ( Redeemable at 5% premium per year or part of the year)</b>				
Shri Asit C. Mehta	8,00,000	53.33	8,00,000	53.33
Smt. Deena A. Mehta	7,00,000	46.67	7,00,000	46.67
<b>d) 4% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	10,00,000	50.00	10,00,000	50.00
Smt. Deena A. Mehta	10,00,000	50.00	10,00,000	50.00

**2.4 Rights of shareholders**

- a) The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share on any resolution placed before the Company in any general meeting. A holder is entitled to dividend proposed by Board of Directors , subject to the approval of shareholders in Annual General Meeting.
- b) In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.
- c) The Company has following classes of Preference shares having a par value of Rs.10/- per share. Their rights are as under:  
The Preference Shares shall carry voting rights in accordance with the provisions of the Companies Act ,1956/the Companies Act , 2013. Since Preference Dividend is in arrears for last two years, Preference Shareholders are entitled to voting rights as per relevant provisions of the Companies Act,1956/ the Companies Act,2013.

The Preference Shares shall rank in priority to Equity Shares for repayment of capital.

**i) 9% Cumulative Redeemable Preference Shares**

-The Preference Shares shall carry a preferential dividend @ 9% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at par. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.

**ii) 4% Cumulative Redeemable Preference Shares**

-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at premium of 5% per year or part of the year. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.

**iii) 4% Cumulative Redeemable Preference Shares**

-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, redeemable at par. The redemption term relating to date of redemption was modified from not later than 01.04.2025 to not later than 31.03.2030.



## Note-3 Reserves &amp; Surplus

₹

3.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>a. Securities Premium Reserve Account</b>		
As per Last Balance sheet	7,02,22,220	60,00,000
Add : Premium on Conversion of Compulsory Convertible Debentures	-	6,42,22,220
	7,02,22,220	7,02,22,220
<b>b. Revaluation Reserve</b>		
As per Last Balance sheet	4,87,76,394	4,96,02,199
Less: Realised gain transferred to Statement of Profit & Loss [ Refer Note 1.3 (vii)]	4,79,57,358	-
Less: Transferred to Statement of Profit & Loss [ Refer Note 1.3 (v) & 10.3]	8,19,036	8,25,805
	-	4,87,76,394
<b>c. General Reserve</b>		
As per Last Balance sheet	1,79,95,126	1,79,95,126
	1,79,95,126	1,79,95,126
<b>d. Surplus in Statement of Profit &amp; Loss</b>		
As per Last Balance sheet	(12,60,86,688)	(12,85,85,082)
Less : Adjustment as per Schedule II to the Companies Act, 2013	-	(55,30,078)
Add : Net Profit For the current year	76,84,505	80,28,472
	(11,84,02,183)	(12,60,86,688)
	(3,01,84,837)	1,09,07,052

## Note 4 Long Term Borrowings

₹

4.1

Particulars	As at 31/03/2016	As at 31/03/2015	As at 31/03/2016	As at 31/03/2015
	Non Current		Current	
<b>Secured</b>				
<b>Term loans</b>				
From Non Banking Financial Company				
Peerless Financial Services Ltd	5,00,00,000	5,00,00,000	-	-
[Secured by i) Primarily by Equitable Mortgage of commercial property owned by Asit C. Mehta Financial Services Ltd., Ultimate Holding Company. ii) Further Collaterals by Corporate Guarantee of Asit C. Mehta Financial Services Ltd., Ultimate Holding Company & Personal Guarantee of Managing Director and one of the whole time directors]				
	5,00,00,000	5,00,00,000	-	-
<b>Unsecured</b>				
<b>14% Compulsory Convertible Debentures</b>				
600,000 (Previous year 600,000) 14% Compulsory Convertible Debentures of Rs.30 each; convertible into one equity share of Rs.10 each at premium of Rs.20/- per share, on or before 31/01/2020.	1,80,00,000	1,80,00,000	-	-
	1,80,00,000	1,80,00,000	-	-
	6,80,00,000	6,80,00,000	-	-



# ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

## 4.2 Maturity Profile

₹

Particulars	Current Portion	Non Current Portion
	2016-17	2017-18 to 2019-20
Term Loan from Peerless Financial Services Ltd [Rate of Interest- 14% p.a.(Previous Year - 14% p.a.)] (Principal amount of Term Loan shall be repayable in 12 quarterly installments comprising (i) 4 installments of Rs.25 Lacs each commencing from 26.06.2017 to 26.03.2018 (ii) 4 installments of Rs.37.50 Lacs each commencing from 26.06.2018 to 26.03.2019 (iii) 4 installments of Rs. 62.50 Lacs each commencing from 26.06.2019 to 26.03.2020)	-	5,00,00,000
	-	5,00,00,000

## Note 5 Other Long Term Liabilities

₹

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Others</b>		
Base Capital Deposits	3,58,33,881	3,82,70,357
	3,58,33,881	3,82,70,357

## 5.2 BASE CAPITAL DEPOSITS FROM BUSINESS ASSOCIATES

- The Company, in the course of its business and as per the terms and conditions with Business Associates, has received security deposits in the form of cheques or its equivalent and/or by way of shares and securities (which are transferred to and held in the name of the Company).
- Security deposits so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- As per the terms and conditions, the Company has an absolute right to appropriate and realize the security deposits against the unpaid dues from Business Associates and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares and securities deposited with the Company, as the case may be.
- The aggregate amount of security deposits received from Business Associates and outstanding as at the year end is Rs. 35,833,881/- (Previous year Rs.38,270,357/-), which includes the value of securities received in the form of shares and securities of Rs.4,519,420/- (Previous Year - Rs.5,923,536/-).
- The security deposits received in the form of shares and securities as above are classified and reflected as "Shares received as margin" under the head "Long Term Loans & Advances" in Note No. 13.1 and stated at the market value as at the end of the year.





## Note 6 Short Term Borrowings

₹

6.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b><u>Secured</u></b>		
	<b>From State Bank of India overdraft facility</b> [Secured by hypothecation and first charge on present and future fixed assets, like computers & peripherals, furniture, electrical fittings, interior works, etc and further collaterals by (i) legal mortgage of residential premises owned by Managing director and one of the whole time directors; (ii) office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and one of the whole time directors]	14,95,57,850	14,95,94,391
	<b>From Bank of India overdraft facility</b> [Secured by (i) 1. Mortgage of Commercial properties situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai, 1st floor in name of Asit C Mehta Financial Services Limited - Ultimate Holding Company, and 3rd Floor of "B" Wing in name of the Company. 2. Mortgage of Block No 102 on 1st Floor, 201,202, 203 on 2nd Floor in name of Asit C Mehta Financial Services Limited & and 7th Floor of "A" Wing in name of the Company (ii) personal guarantee of the Managing Director, one of the whole time directors, Ultimate Holding Company and Asit C Mehta Commodity Services Limited]	3,50,64,192	-
		<b>18,46,22,042</b>	<b>14,95,94,391</b>
	<b><u>Unsecured</u></b>		
	Inter Corporate Deposit	-	30,00,000
		-	30,00,000
		<b>18,46,22,042</b>	<b>15,25,94,391</b>

- 6.2 i) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 4.1% p.a. (Presently Rate 13.80% p.a.) (Previous Year Base Rate + 7% p.a. i.e. 17% p.a.)
- ii) Rate of Interest by Bank Of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 3.80% p.a. (Presently Rate 13.75% p.a.) (Previous Year Nil)
- iii) On Inter Corporate Deposit Interest is paid at varying rates @ 12 to 15% p.a. (Previous Year @ 15% p.a.)



## Note 7 Trade Payable

₹

7.1	Particulars	As at 31/03/2016	As at 31/03/2015
	Creditors for Expenses		
	(a) Total Outstanding Dues of micro enterprises and small enterprises		
	(b) Total Outstanding Dues of creditors other than micro enterprises and small enterprises	1,45,55,104	1,66,01,654
		1,45,55,104	1,66,01,654

- 7.2 Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures relating to amounts due to micro, small and medium enterprises and remaining unpaid after the appointed date, etc. of principal and interest amounts are required to be made. The Company has followed the process of obtaining the relevant information from its suppliers about their filing of the Memorandum with the specified authorities and as per the information so received, the required details are as under :

₹

Amounts payable to Micro and Small Enterprises	As at 31/03/2016	As at 31/03/2015
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil



## Note 8 Other Current Liabilities ₹

8.1	Particulars	As at 31/03/2016	As at 31/03/2015
	Amounts Due to Constituents	22,51,78,384	24,49,07,572
	Statutory Dues	56,37,996	85,24,283
	Shares Received as margin from Constituents ( Refer note 8.2)	2,27,41,904	2,63,47,071
	Security Deposit against Rental of Premises	43,60,500	-
	Other Liabilities	10,50,754	12,66,996
		<b>25,89,69,539</b>	<b>28,10,45,923</b>

## 8.2 MARGIN FROM CONSTITUENTS

- a The Company, in the course of its business and as per the terms and conditions with Clients, has received initial margin in the form of shares and securities (which are transferred to and held in the name of the Company).
- b Initial margin so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- c As per the terms and conditions, the Company has an absolute right to appropriate and realize against the unpaid dues from the Clients and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares with the Company, as the case may be.
- d Initial Margin received in the form of shares and securities as above are classified and reflected under the head "Short Term Loans and Advances" in Note No. 17.1 and stated at the market value as at the end of the year.

8.3 The amounts due to Constituent Clients represent amounts payable on account of security broking transactions. These accounts comprise the running transactions carried out by the Constituent Clients.

8.4 Amounts due to Constituents, Creditors/Other Liabilities are subject to Confirmation.

## Note 9 Short Term Provisions ₹

9.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>Provision for employee benefits</b>		
	Employee Salaries	16,972	18,939
	Leave Encashment ( Refer note 21.2)	1,52,017	1,36,027
	Gratuity ( Refer note 21.2)	90,468	43,186
		<b>2,59,457</b>	<b>1,98,152</b>



10.1

	Description	Gross Block				Depreciation/Amortization				Net Block		
		Balance as at 1/4/2015	Additions	Disposals/ Sales/discarded	Other Adjustments*	Balance as at 31/03/2016	For the Year	Depreciation on Revaluation	On disposals/ Sales/discarded	Other Adjustments*	Balance as at 31/03/2016	Balance as at 31/03/2015
a)	Tangible Assets-Owned											
	Office Building	7,75,88,819	-	7,75,88,819	-	-	59,89,523	8,19,036	71,43,818	-	-	7,15,99,296
	Office and Other Equipments	3,83,34,045	2,87,795	1,06,54,842	-	2,79,66,998	2,15,57,356	-	78,92,708	-	1,73,07,442	1,67,76,689
	Electric Installation	1,51,20,043	-	1,29,63,593	-	21,56,450	64,84,172	-	65,79,351	-	12,21,510	86,35,871
	Furniture and Fixtures	2,80,09,133	-	8,88,846	-	2,71,20,287	1,44,77,706	-	5,63,122	-	1,66,73,018	1,35,31,427
	Computers	1,37,90,525	2,33,573	11,77,704	-	1,28,46,393	1,02,51,425	-	11,34,149	-	99,28,467	35,39,100
	Vehicles	29,25,929	-	19,36,245	-	9,89,684	14,34,683	-	10,05,482	-	5,66,654	14,91,246
		17,57,68,494	5,21,368	10,52,10,050	-	7,10,79,812	6,01,94,865	8,19,036	2,43,18,630	-	4,56,97,091	11,55,73,629
b)	Intangible Assets-Owned											
	Computer software	2,09,47,556	36,79,220	39,375	-	2,45,87,401	1,46,19,317	-	37,052	-	1,56,25,862	63,28,239
	Goodwill on Consolidation	-	16,46,377	-	-	16,46,377	-	-	-	-	-	-
		2,09,47,556	53,25,597	39,375	-	2,62,33,778	1,46,19,317	-	37,052	-	1,56,25,862	63,28,239
	Current Year	19,67,16,050	58,46,965	10,52,49,425	-	9,73,13,590	7,48,14,182	8,19,036	2,43,55,682	-	6,13,22,953	12,19,01,868
	Previous Year	26,89,24,274	23,25,010	2,74,32,375	4,71,00,860	19,67,16,050	12,80,00,775	8,25,805	2,71,07,489	4,15,70,787	14,09,23,549	14,09,23,549

\* In accordance with the provision of Schedule II to the Companies Act, 2013, in case of fixed assets which have completed their useful lives as ascertained by the valuer, as on 1st April 2014, their carrying value (net of 5%) residual value amounting to Rs. NIL (Previous Year Rs 55,30,078/-) has been recognised against the opening balance of Statement of Profit and Loss.

10.2

## Details of Revaluation on Office Building Premises

Particulars	Year					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Asset details:						
Balance as at 1st April	7,05,45,163	22,71,36,000	22,71,36,000	22,71,36,000	7,75,88,819	7,75,88,819
Additions during the year	39,07,314	-	-	-	-	-
Increase on Revaluation on 31/03/2011	15,26,83,523	-	-	-	-	-
Sale of Part of Office Building	-	-	-	14,95,47,181	-	7,75,88,819
Balance as at 31st March	22,71,36,000	22,71,36,000	22,71,36,000	7,75,88,819	7,75,88,819	-

10.3

The Gross Block of Fixed Assets includes Rs. NIL (Previous year Rs 5,21,56,129) on account of revaluation of Office Building. Consequent to the said revaluation, there is an additional charge of depreciation of Rs. 8,19,036 (Previous year Rs 8,25,805/-) and accordingly an equivalent amount has been withdrawn from Revaluation Reserve and credited to the Statement of Profit and Loss. This has no impact on profit for the year.



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**Note 11 Non Current Investments-Other than Trade**

11.1	Sr. No.	Name of the Body Corporate	Amount	
			As at 31/03/2016	As at 31/03/2015
		<b>Investment in Equity Instruments</b>		
		<b>Shares of Rs. 10/- each Fully Paid Up unless otherwise Stated</b>		
		<b>Quoted- At Cost</b>		
	1	7000 Omnitex Industries (India) Limited (7000)	30,543	30,543
			30,543	30,543
		<b>Unquoted -At Cost</b>		
		<b>In Equity shares of Wholly Owned subsidiary (fully paid up)</b>		
	2	Asit C Mehta Comdex Services, DMCC [share of 1,000 Dirhams-AED] (600)	-	75,14,370
		<b>In Equity shares of others (fully paid up)</b>		
	3	200000 Asit C. Mehta Commodity Services Ltd. * (200000)	2,42,00,000	2,42,00,000
	4	694 BSE Limited [Share of Re 1 each] (694)	2,60,250	2,60,250
	5	2750 Vippy Industries Limited (Face Value Re. 1/- per share) (2750)	18,425	18,425
			2,45,09,218	3,20,23,588

(Figures in brackets relate to previous year)

- \* Includes 100,000 Equity Shares received as gift on 31.3.2012 from some of the Directors and accordingly, it became Wholly Owned Subsidiary ("WOS") on 31.3.2012 and due to further allotment of shares by the said WOS, the Company's percentage of share holding in total capital of the said WOS reduced from 100% to 19.98% on 30/03/2015.
- 11.2 In view of long term and strategic holdings, Investments in Asit C. Mehta Commodity Services Ltd. are carried at cost and diminution with reference to their values is not recognized.

11.3	Particulars	As at 31/03/2016	As at 31/03/2015
	Investment in Equity Instruments	2,45,09,218	3,20,23,588
	Less : Provision for diminution in the value of Investments	-	-
		2,45,09,218	3,20,23,588

11.4	Particulars	As at 31/03/2016	As at 31/03/2015
	Aggregate amount of quoted investments (Market value Rs.91,000/- (Previous Year Rs.63,000/-)	30,543	30,543
	Aggregate amount of unquoted investments	2,44,78,675	3,19,93,045



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**Note 12 Deferred Tax Assets (Net)**

12.1 Reversal of Deferred Tax Assets (Net of Liabilities) in respect of the current year amounting to Rs. 37,36,152/- [Previous year Reversal of Liabilities Rs 29,83,321/-] has been debited to the Statement of Profit and Loss. Major components are as under:

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Deferred Tax Liabilities:</b>		
Depreciation	10,97,729	21,90,281
Total	10,97,729	21,90,281
Less:-		
<b>Deferred Tax Assets:</b>		
Business loss	1,37,25,069	1,83,07,346
Expenses allowable on payment basis	8,71,809	11,18,236
Total	1,45,96,878	1,94,25,582
<b>Net Deferred Tax (Assets) / Tax Liabilities</b>	<b>(1,34,99,149)</b>	<b>(1,72,35,300)</b>

12.2 In compliance with the Accounting Standard-22, the management has been regularly reviewing the carrying amounts of the deferred tax assets including relating to deferred tax assets arising from the carried forward losses, etc. at the end of each financial year. Accordingly, the management has reviewed the same and the deferred tax assets pertaining to brought forward loss, etc. amounting to Rs. 45,82,277/- (Previous Year 83,61,727/-) has been reversed.

**Note 13 Long Term Loans and Advances**

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Unsecured, considered good</b>		
<b>a) Capital Advances</b>	57,87,500	34,61,000
<b>b) Security Deposits</b>		
<u>Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations</u>		
The National Stock Exchange of India Ltd.	1,69,00,000	1,69,00,000
BSE Ltd.	1,25,000	2,25,000
Central Depository Services (India) Ltd	7,50,000	7,50,000
Metropolitan Stock Exchange of India Ltd.	10,00,000	10,00,000
	1,87,75,000	1,88,75,000
Deposits for Premises and Other Deposits	7,01,82,191	7,01,76,491
<b>c) Shares Received As Margin From [See Note 5.2 (e)]</b>		
Business Associates	45,19,420	59,23,536
<b>d) Other Advances</b>		
Prepaid Expenses	9,69,272	8,15,921
Advance Income Tax	94,14,630	1,81,20,114
	<b>10,96,48,014</b>	<b>11,73,81,062</b>

Loans and Advances include Security Deposits for premises on Leave and Licence	As at 31/03/2016		As at 31/03/2015	
	Balance Due	Max. Balance	Balance Due	Max. Balance
i) to Managing Director	2,55,00,000	2,55,00,000	2,50,00,000	2,50,00,000
ii) to Whole time Director	1,75,00,000	1,75,00,000	1,75,00,000	1,75,00,000
iii) to Ultimate Holding Company	2,62,51,740	2,62,51,740	2,62,51,740	2,62,51,740



**Note 14 Other Non Current Assets**

14.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>Long Term Trade Receivable</b>		
	Outstanding for a period exceeding six months from the date they were due for payment (Refer Note -14.2) (Subject to Confirmation)		
	Secured against Shares	-	-
	Unsecured, considered good	1,91,19,694	2,23,88,158
		1,91,19,694	2,23,88,158
	<b>Amounts Due from Business Associates</b>		
	Secured against Base capital Deposits	7,70,376	8,95,321
	Unsecured, considered good	31,15,315	58,78,223
	Doubtful ( See Note 14.3)	1,58,878	10,36,364
		40,44,569	78,09,908
	<b>Amounts Due from Constituents</b>		
	Secured against Shares	50,87,528	48,74,668
	Unsecured, considered good	2,34,00,869	1,45,73,309
		2,84,88,397	1,94,47,977
		5,16,52,660	4,96,46,043

14.2 Long Term Trade receivables as above include amounts receivable in respect of depository services. Considering the market conditions prevailing since last about 4 to 5 years, the Company could not get adequate business from these Clients and accordingly, the same remained unsettled till date. However, irrespective of these situations and amounts remaining unsettled, the Company periodically communicates them their stock holding position, etc. Further, the Company has also adequate internal procedures and control systems by which it has been consistently following with them for settling their dues. It has also adopted various measures including contacting them personally, offering them discounts and incentives, etc. to settle their old dues. In view of all these and other measures, the Company is confident to recover the said dues within its normal periodical cycle and accordingly, it has considered and classified such dues as good and therefore, no provision is considered as necessary.

14.3 As per the terms and conditions of the Agreements executed by the Company with Business Associates, the Company has an absolute right to recover all the dues from them. However, as a good business practice, the Company has adopted cordial and amicable means for recoveries of dues in most practical and fair manner and therefore, it is confident that the amounts classified as doubtful, would be recovered in due course. In view of this, no provision for such doubtful debts is required to be made in the accounts.

**Note 15 Trade Receivables**

15.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b>Unsecured, considered good (Subject to confirmation)</b>		
	Outstanding for a period exceeding six months from the date they were due for payment	58,52,672	68,46,542
	Other Debts	17,73,357	35,99,064
		76,26,029	1,04,45,606





**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**Note 16 Cash and Bank Balances**

16.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<b><u>a) Cash and cash equivalents</u></b>		
	Balances in Current Accounts	4,02,84,705	2,13,84,300
	Cash on hand	3,27,102	1,72,835
		4,06,11,807	2,15,57,135
	<b><u>b) Other Bank balances</u></b>		
	Fixed Deposits with Banks having Maturity of more than three months but within twelve months ( See Note 16.2)[ including Interest accrued but not due of Rs. 29,89,725/- (previous year Rs. 12,46,310/-)]	4,50,89,726	3,53,52,981
	Fixed Deposits with Banks having Maturity of more than Twelve months ( See Note 16.2, 16.3 & 16.4) [ including Interest accrued but not due of Rs. 68,46,475/- (previous year Rs.4,88,556/-)]	15,67,41,476	15,43,48,598
		24,24,43,009	21,12,58,714

- 16.2 Fixed Deposits with Banks include Rs.6,15,00,000/- (Previous Year Rs.5,40,00,000/-) pledged against guarantees given by banks.
- 16.3 Fixed Deposits with Bank of India include Rs. 6,00,00,000/- (Previous Year Rs. 6,00,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Nucleus IT Enabled Services Limited., the wholly owned subsidiary of the Ultimate Holding company, for its business purpose.
- 16.4 Fixed Deposits with Bank of India include Rs. 6,25,00,000/- (Previous Year Rs. 6,25,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Asit C Mehta Commodity Services Ltd., the erstwhile wholly owned subsidiary, for its business purpose.
- 16.5 The aforesaid entities in respect of whom Fixed Deposits have been pledged with Bank of India have duly complied with the Interest obligation.





**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**17 Short Term Loans & Advances**

17.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<u>Others</u>		
	<b>Unsecured, considered good</b>		
	Security Deposits for Premises	54,155	2,63,474
	Loans To Staff	3,91,500	2,00,500
	Loan to wholly owned subsidiary -Asit C. Mehta Comdex DMCC * (Maximum balance outstanding P.Y. Rs. 12,27,208)	-	12,27,208
	Loan to Asit C. Mehta Commodity Services Ltd.** (Including interest accrued Rs. 10,20,472; P.Y. Rs.14,84,774)	75,80,472	14,84,774
	Cenvat Credit Receivable	5,92,706	10,94,375
	Service Tax Refund Receivable	5,53,339	-
	Prepaid Expenses	33,78,986	35,29,169
	Deposit with Clearing house	43,17,234	36,69,019
	Deposit with Stock Exchange	10,000	10,000
	Deposit with DGCX	66,24,937	-
	Balances with Stock Exchanges (Net)	4,11,70,076	79,30,742
	<u>Shares Received As Margin From [See Note 8.2]</u>		
	Constituents	2,27,41,904	2,63,47,071
	Advances recoverable in cash or in kind or for value to be received (Includes receivable from Ultimate Holding Company Rs. 378,195; Previous Year Rs. 6,549)	17,24,139	5,02,257
		<b>8,91,39,448</b>	<b>4,62,58,589</b>

\* Total loans given for business purpose (Previous Year Rs.1,227,208/-) and have been utilised for the same.

\*\* Wholly Owned Subsidiary till 30-03-2015. Total loans given were Rs. 109,520,472/-(Previous Year Rs. 505,000,969/-) and received back Rs. 101,940,000/- (Previous Year Rs.539,440,165/-). The loans were for business purpose and have been utilised for the same.

Loans granted to Fellow Subsidiary Nucleus IT Enabled Services Limited during the year and received back Rs. 31,00,000/- (Previous Year Rs. Nil). The loans were for business purpose and have been utilised for the same.

**Note 18 Other Current Assets**

18.1	Particulars	As at 31/03/2016	As at 31/03/2015
	<u>Amounts Due from Business Associates</u>		
	Secured against Base capital Deposits, considered good	18,205	2,31,629
	Unsecured, considered good	10,173	2,34,007
		<b>28,378</b>	<b>4,65,636</b>
	<u>Amounts Due from Constituents</u>		
	Secured against Shares , considered good	5,74,76,565	7,04,65,891
	Unsecured, considered good	1,01,72,784	1,45,03,204
		<b>6,76,49,349</b>	<b>8,49,69,095</b>
	Fixed Assets held for Disposal (At Net Realisable Value)	55,26,182	90,47,379
	Receivable for Sale of Office Premises from Ultimate Holding Company	7,54,10,919	5,80,64,720
	Interest Accrued But Not Due on Other Deposits	43,305	31,039
		<b>14,86,58,133</b>	<b>15,25,77,869</b>

18.2 Amounts due from Business Associates, Constituents and Advances are subject to confirmation.

18.3 The amounts due from Constituents represent amounts receivable on account of Securities broking transactions accounts comprise the running transactions by the constituents.



## Note 19 Revenue from Operations

₹

19.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Sale of services</b>		
	Brokerage from Stock Exchange Operations	19,11,19,900	23,18,28,595
	Brokerage from Money Market Operations	5,43,604	25,88,282
	Brokerage income from Mutual Fund	79,54,596	1,02,63,703
	Demat Income	2,10,92,167	3,07,30,137
	Arranger Fees for Fund Mobilization	18,45,087	9,85,947
	Corporate Advisory Services / Merchant Banking	14,09,129	47,28,492
	<b>b) Other Operating Revenue</b>		
	Profit / (Loss) on Security Transactions	(41,49,351)	13,44,983
	Miscellaneous Receipts	99,14,247	81,94,032
		<b>22,97,29,379</b>	<b>29,06,64,170</b>

19.2 Miscellaneous Receipts include Rs. 68,51,163/- (Rs. 53,93,799/-) being Income from Late Payment

## Note 20 Other Income

₹

20.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Interest Income</b>		
	Interest on Fixed Deposits with banks	1,53,74,110	62,32,238
	Interest from Ultimate Holding Company on delayed payment of Sale Consideration	52,50,604	-
	Interest on Loan	11,45,108	-
	Interest on Security Deposit with clearing Corporation	1,55,661	1,52,990
	Interest on Loan from erstwhile wholly owned subsidiary	-	75,34,767
	Interest on Income - tax Refund	80,64,935	9,92,213
	Interest - Miscellaneous	-	73,654
	<b>b) Dividend income</b>	11,249	34,354
	<b>c) Profit on Sale of Office premises</b>	21,07,524	-
	<b>d) Realised Gain on Sale of Office premises [See Note 1.3 (vii)]</b>	4,79,57,358	-
	<b>e) Leave and License Fees Received</b>	35,91,000	-
	<b>f) Foreign Exchange Difference (Gain)</b>	-	-
	<b>g) Profit on sale of Non current investments</b>	-	3,52,937
	<b>h) Other income</b>		
	Miscellaneous Income	2,44,740	1,93,347
		<b>8,39,02,289</b>	<b>1,55,66,500</b>



## Note 21 Employee Benefits Expense

₹

21.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	Salaries, Allowances and Bonus	7,21,09,664	5,80,51,678
	Directors' Remuneration	24,12,000	26,82,250
	Contribution to Provident Fund and Other Funds	27,45,209	18,31,155
	Contribution and Payments for Gratuity	12,89,282	19,22,426
	Staff Welfare Expenses	18,12,492	17,55,882
		<b>8,03,68,647</b>	<b>6,62,43,391</b>

## 21.2 The disclosure required under Accounting Standard 15 "Employee Benefits"

## a) Defined contribution plan:

Contribution to defined contribution plan recognized and charged to the Statement of Profit and Loss are as under:

	2015-2016	2014-2015
Employer's contribution to Provident fund and Pension Fund (including of Whole time Director)	29,07,209	20,74,155

## b) Defined Benefit Plan

The employees' gratuity fund scheme is managed by the Life Insurance Corporation of India and Kotak Life Insurance which is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method.

The obligation and year end liability in respect of leave encashment is determined based on the actuarial valuation using the Projected Unit Credit method carried out by an independent actuary.

## a) Reconciliation of opening and closing balances of Defined Benefit obligation

₹

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Benefit Obligation at the beginning of the year	62,83,353	1,36,027	48,89,929	7,65,868
Error in disclosure of obligation of earlier year	3,93,702	-	-	-
Current Service Cost	12,14,555	1,52,017	10,19,970	1,08,682
Interest Cost @ 8.35% (P.Y. 8.35%)	4,62,313	(1,315)	5,53,394	33,480
Actuarial (gain) / loss	66,032	1,71,069	6,36,775	15,738
Benefit Paid	(14,99,923)	(3,05,781)	(8,16,715)	(7,87,741)
<b>Total Defined Benefit Obligation at the year end</b>	<b>69,20,032</b>	<b>1,52,017</b>	<b>62,83,353</b>	<b>1,36,027</b>

## b) Table showing Changes in Fair value of Planned assets

₹

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of planned assets at the beginning of the year	64,21,744	Not Applicable	40,92,377	Not Applicable
Error in disclosure of fair value of planned asset of earlier year	2,12,125	-	-	-
Expected return on planned assets	5,41,600	-	5,21,600	-
Contribution	12,05,370	-	26,24,482	-
Actuarial (gain) / loss	(51,352)	-	-	-
Benefits paid	(14,99,923)	(3,05,781)	(8,16,715)	(7,87,741)
<b>Fair value of planned assets at the year end</b>	<b>68,29,564</b>	<b>(3,05,781)</b>	<b>64,21,744</b>	<b>(7,87,741)</b>



## c) Expenses recognized during the year

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	12,14,555	1,52,017	10,19,970	1,08,682
Expected Return on Plan Assets	(5,41,600)	-	(5,21,600)	-
Actuarial (gain) / loss	1,17,384	1,71,069	(7,88,059)	15,738
Interest Cost @ 8.35% (P.Y. 8.35%)	4,62,313	(1,315)	5,53,394	33,480
<b>Total</b>	<b>12,52,652</b>	<b>3,21,771</b>	<b>2,63,705</b>	<b>1,57,900</b>

## d) Actuarial Assumptions

Particulars	2015-2016		2014-2015	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Rate (L.I.C.)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)
Withdrawal Rate	1%	1%	1%	1%
Discount Rate/Interest Rate	8.00%	8.00%	7.80%	7.80%
Salary Escalation	5%	5%	5%	5%
Retirement Age	58 Years	58 Years	58 Years	58 Years

## Note 22 Finance Cost

22.1	Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
	<b>a) Interest Expense</b>		
	On Term Loan from bank	-	6,52,727
	On Term Loan from NBFC	70,19,179	1,34,247
	On Cash Credit Accounts	2,02,45,658	1,74,27,291
	On Car Loans	-	13,277
	On Deposits from Public and Shareholders	-	3,43,328
	On Inter corporate Deposits	8,84,541	4,64,172
	On Unsecured Debentures	25,26,904	1,04,46,376
	Interest paid to Others	-	16,86,475
	Miscellaneous Interest	34,304	6,088
	<b>b) Other Borrowing Cost</b>		
	Bank Guarantee Commission	16,98,804	19,15,360
	Processing Fees for Loan	7,83,471	5,68,142
		<b>3,31,92,861</b>	<b>3,36,57,483</b>



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

Note 23 Other Expenses

₹

23.1

Particulars	For the year ended 31/03/2016	For the year ended 31/03/2015
Business Associates Expenses	9,62,63,885	11,67,03,859
Service Charges Demat	38,48,804	37,85,487
Leave and License Fees for Premises	1,32,20,413	1,23,59,670
Office Maintenance	19,33,341	14,84,765
Marketing Expenses	68,05,306	71,17,425
Membership & Subscription	39,01,297	35,47,343
Travelling and Conveyance Expenses	18,19,227	11,84,124
<u>Repairs and Maintenance</u>		
To Equipments	66,41,233	38,43,844
To Others	34,18,784	17,85,699
Electricity Charges (Net)	38,34,800	49,93,850
Communication, Connectivity & Telephone Expenses (Net)	36,11,495	50,21,985
Postage and Courier Expenses	21,98,056	29,45,713
Printing and Stationery (Net)	19,38,742	24,20,542
Legal and Professional Fees	89,01,073	57,95,356
Fixed Assets Written Off	26,17,443	2,93,961
Loss On Sale Of Assets	49,995	42,261
Impairment Loss On Assets held for Disposal	35,21,197	19,00,274
Insurance	1,18,845	1,82,324
<u>Auditors' Remuneration (Net of Service Tax) :</u>		
- Audit and Tax Audit Fees	8,25,000	7,93,000
- Taxation Matter	1,25,000	1,15,000
- Other Services	52,924	2,22,500
- Out of Pocket Expenses	-	37,164
Miscellaneous Expenses	40,23,560	68,12,127
Securities Transaction Tax	1,60,729	2,78,430
Rates & Taxes	5,22,424	4,67,000
Fees For Increase In Share Capital	-	4,09,950
Service Tax & Swachh Bharat Cess	3,60,927	2,69,874
Stamp Duty	49,05,100	4,62,597
Amounts written off	60,26,013	-
Prior Period Expenses	4,57,571	2,70,117
	<b>18,21,03,185</b>	<b>18,55,46,242</b>



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**

Notes forming part of the Consolidated Financial Statements

**23.2 Operating Lease:**

During the year, the Company has entered into and/or renewed the agreements / arrangements in respect of premises on leave and license basis under cancellable operating lease. The period of such arrangements varies from 11 months to 60 months with right to renew and a right to terminate the lease arrangements by giving intimation in agreed manner.

The payments in respect of the above for the year amounting to Rs.13,133,988/- [Previous year Rs. 12,359,670/-] are shown as Leave & License Fees.

The committed lease rental as on the date of balance sheet relating to the future periods are:

Particulars	As at 31/03/2016	As at 31/03/2015
Not More than one Year	1,80,35,300	1,09,24,380
Later than one Year and not more than 5 years	1,11,00,000	2,07,23,440
Later than 5 years	-	-

**Note 24 Basic and Diluted Earning per Share:**

24.1

Particulars	As at 31/03/2016	As at 31/03/2015
<b>Basic Earning per Share:</b>		
Net Profit / (loss) after Tax	76,84,505	80,28,472
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	76,84,505	80,28,472
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,11,11,111	88,23,744
<b>Basic Earning per Share</b>	<b>0.69</b>	<b>0.91</b>
<b>Diluted Earning per Share:</b>		
Net Profit / (loss) after Tax	76,84,505	80,28,472
Add: Debenture Interest (Net of Tax)	17,46,091	42,936
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	94,30,596	80,71,408
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,11,11,111	88,23,744
<b>Add: Potential number of Equity Shares that could arise on :</b>		
(i) Conversion of 14% Unsecured Compulsory Convertible Debentures	6,00,000	13,151
Weighted Average number of Equity Shares	1,17,11,111	88,36,895
<b>Diluted Earning Per Share</b>	<b>0.81</b>	<b>0.91</b>



## Notes forming part of the Consolidated Financial Statements

## Note 25 Contingent Liabilities &amp; Commitments

## 25.1 Contingent Liabilities

₹

Particulars	As at 31/03/2016	As at 31/03/2015
<b>a) Claims against the Company not acknowledged as debt</b>		
i) Disputed Claims against Company, not provided for.	7,83,708	3,66,904
ii) Company's claims not accepted and matters under litigation	8,93,568	8,93,568
<b>b) Others for which the Company is contingently liable</b>		
Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities		
<b>c) Capital commitment</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	1,72,17,500	1,95,44,000
	<b>1,88,94,776</b>	<b>2,08,04,472</b>

₹

## 25.2 Details of Arrears of Dividend on Preference Shares

<b>a) On 9% Cumulative Redeemable Preference Shares</b>	1,62,00,000	1,21,50,000
<b>b) On 4% Cumulative Redeemable Preference Shares, Redeemable with Premium of 5% per year or part of year</b>	12,08,219	6,08,219
<b>c) On 4% Cumulative Redeemable Preference Shares</b>	10,14,795	2,14,795

25.3 Asit C. Mehta Financial Services Limited, the Ultimate Holding Company, has borrowed Rs. 10 Crores from ECL Finance Limited and Rs. 10 Crores from ICICI Bank Limited., in aggregate Rs.20 Crores. As per the said lender's requirements, the company has been made as co-applicant/ co-borrowers in all the documents and accordingly, the company has signed the documents.

Note 26 The disclosure as required by the Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":

₹

Particulars	Balance as at 01/04/2015	Additions during the year	Amounts paid during the year	Amounts reversed during the year	Balance as at 31/03/2016
Provision for Leave Salary (Refer Note 21.2)	136,027	1,52,017	1,36,027	-	1,52,017
(Previous Year)	(765,868)	(136,027)	(765,868)	(-)	(136,027)
Provision for Diminution in Value of Investments	(-)	(-)	(-)	(-)	(-)
(Previous Year)	(1,182,286)	(-)	(-)	(1,182,286)	(-)



## 27 SEGMENT REPORTING

The Group's business is to provide Securities & Stock broking and other related services to its clients in the capital and debt market through the Company and The Principal activities of the subsidiary company is that of proprietary account on DGCX and other regulated exchanges and platforms and/ or trading only in DGCX listed contracts for clients account subject to holding and maintaining current and valid SCA licence. Accordingly, the Group contends that it has only one segment.

## 28 RELATED PARTY DISCLOSURES

## a. Key Management Personnel (KMP)

Mrs. Deena A. Mehta	Managing Director
Mr. Kirit H. Vora	Wholetime Director
Mr. Asit C. Mehta	Wholetime Director
Mr. Pankaj Parmar	Chief Financial Officer

## b. Relatives of Key Management Personnel (No transactions during the year)

Mr. Thakorbbhai N. Desai	Father of Deena A. Mehta
Mrs. Shobhnaben T. Desai	Mother of Deena A. Mehta
Mr. Jayesh T. Desai	Brother of Deena A. Mehta
Mr. C. S. Mehta	Father of Asit C. Mehta
Mrs. Ansuya Mehta	Mother of Asit C. Mehta
Mr. Ashish C. Mehta	Brother of Asit C. Mehta
Mr. Aditya Asit Mehta	Son of Asit C. Mehta
Mr. Aakash Asit Mehta	Son of Asit C. Mehta
Mrs. Neeta K. Vora	Wife of Kirit H. Vora

## c. Other Related Parties

Name	Nature of Relationship
Asit C. Mehta Commodity Services Ltd.	Company over which the Company has significant influence and control (Previous Year Wholly Owned Subsidiary with effect from 31st March 2012 till 30th March 2015)
Asit C. Mehta Forex Pvt. Ltd.	Enterprise over which KMP and Relatives of KMP have control (No transactions during the year)
Asit C. Mehta Financial Services Ltd.	Ultimate Holding Company
Nucleus IT Enabled Services Ltd.	Fellow Subsidiary
Asit C. Mehta Real Estate Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) and Relatives of KMP have control (No transactions during the year)
Edgytal Digital Marketing Private Limited	Enterprise over which relative of KMP (i.e. executive directors) have control
Pentation Analytics Private Limited	Enterprise over which KMP (i.e. executive directors) have significant influence and control
ACM Commodity Services Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) have significant influence and control (No transactions during the year)
Balmukund Investment Company Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) have significant influence and control (No transactions during the year)
Tipstop Software Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) and Relatives of KMP have control (No transactions during the year)





## ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

d. Transactions during the year:								₹
Sr.No	Particulars	Fellow Subsidiary	Company over which the Company has significant Influence & Control (During Previous Year, Subsidiary upto 30.03.2015)	Ultimate Holding Company	Enterprise over which relative of KMP have control	Enterprise over which KMP have significant influence and control	KMP	Total
1	Preference Share Capital 20,00,000- 4% Cumulative Redeemable Preference Shares of Rs.10 each to Asit Mehta and Deena Mehta	- (-)	- (-)	- (-)	- (-)	- (-)	(2,00,00,000)	(2,00,00,000)
2	Equity Share Capital ( Including Premium Rs.6,42,22,220/-) 32,11,111 - Equity Shares issued to Asit C. Mehta Financial Services Ltd. on 15.12.2014 on conversion of Compulsory convertible Debentures	- (-)	- (-)	- (9,63,33,330)	- (-)	- (-)	- (-)	- (9,63,33,330)
3	Assets Deposit for Office Premises	- (-)	- (-)	- (-)	- (-)	- (-)	5,00,000 (-)	5,00,000 (-)
4	14% Unsecured Compulsory convertible Debentures Issued to Asit C. Mehta & Deena Mehta	- (-)	- (-)	- (-)	- (-)	- (-)	- (1,80,00,000)	- (1,80,00,000)
5	Amount Given and Received back towards WDM Trades with Asit C. Mehta Financial Services Ltd.	- (-)	- (-)	- (95,64,720)	- (-)	- (-)	- (-)	- (95,64,720)
6	Amount Given & Received back on security transactions ( PF Deals )	- (-)	- (-)	13,34,76,238 (12,66,70,000)	- (-)	- (-)	- (-)	13,34,76,238 (12,66,70,000)
7	Loan Given & Received back from Nucleus IT Enabled Services Limited	31,00,000 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	31,00,000 (-)
8	Loan Given to Asit C Mehta Commodity Services Ltd.	- (-)	10,95,20,472 (50,50,00,969)	- (-)	- (-)	- (-)	- (-)	10,95,20,472 (50,50,00,969)
9	Loan Received Back from Asit C Mehta Commodity Services Ltd.	- (-)	10,19,40,000 (53,94,40,165)	- (-)	- (-)	- (-)	- (-)	10,19,40,000 (53,94,40,165)



Sr.No	Particulars	Fellow Subsidiary	Company over which the Company has significant Influence & Control (During Previous Year, Subsidiary upto 31.03.2015)	Ultimate Holding Company	Enterprise over which relative of KMP control	Enterprise over which KMP have significant influence and control	KMP	Total
	<b>Income/Recoveries</b>							
10	Sale of office premises and Electrical Fittings to Asit C Mehta Financial Services Ltd.	-	-	7,94,01,654	-	-	-	7,94,01,654
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
11	Interest Income from Asit C Mehta Commodity Services Ltd.	-	11,33,858	-	-	-	-	11,33,858
		(-)	(75,34,767)	(-)	(-)	(-)	(-)	(75,34,767)
12	Interest Income from Nucleus IT Enabled Services Limited.	11,250	-	-	-	-	-	11,250
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
13	Interest Income from Asit C Mehta Financial Services Ltd.	-	-	52,50,604	-	-	-	52,50,604
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
14	Reimbursement (recovered) of Electricity, Data Card, Private Wire Expenses & Telephone expenses by Asit C Mehta Financial Services Ltd.	-	-	13,02,029	-	-	-	13,02,029
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
15	Reimbursement (recovered) of Internet Charges & Printing & Stationery expenses by Nucleus IT Enabled Services Ltd.	48,384	-	-	-	-	-	48,384
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
	<b>Expenditure</b>							
16	Leave and License Fees paid	-	-	1,03,24,505	-	-	-	1,03,24,505
		(-)	(-)	(87,50,580)	(-)	(-)	(-)	(87,50,580)
17	Leave and License Fees paid to Deena Mehta	-	-	-	-	-	14,40,000	14,40,000
		(-)	(-)	(-)	(-)	(-)	(16,20,000)	(16,20,000)
18	Leave and License Fees paid to Asit Mehta	-	-	-	-	-	7,20,000	7,20,000
		(-)	(-)	(-)	(-)	(-)	(9,50,000)	(9,50,000)
19	Professional Fees paid to Fellow Subsidiary	8,57,000	-	-	-	-	-	8,57,000
		(3,42,000)	(-)	(-)	(-)	(-)	(-)	(3,42,000)
20	Interest Paid on Unsecured Debentures to Asit C Mehta Financial Services Ltd.	-	-	-	-	-	-	-
		(-)	(-)	(1,03,84,240)	(-)	(-)	(-)	(1,03,84,240)
21	Remuneration (Including Contribution to PF)	-	-	-	-	-	40,89,777	40,89,777
		(-)	(-)	(-)	(-)	(-)	(26,12,250)	(26,12,250)
22	Reimbursement of Electricity Expenses paid to Asit C Mehta Financial Services Limited	-	-	3,66,101	-	-	-	3,66,101
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
23	Marketing Expenses paid to Edgital Digital Marketing Private Limited	-	-	-	16,60,509	-	-	16,60,509
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
24	Marketing Expenses paid to Pentation Analytics Private Limited	-	-	-	-	4,50,000	-	4,50,000
		(-)	(-)	(-)	(-)	(-)	(-)	(-)
25	Interest on Debentures to Asit C. Mehta & Deena Asit Mehta	-	-	-	-	-	25,26,904	25,26,904
		(-)	(-)	(-)	(-)	(-)	(62,136)	(62,136)

(Figures in brackets relate to previous year)



## e. Amounts outstanding:

Sr. No	Particulars	Fellow Subsidiary	Company over which the Company has significant Influence & Control (During Previous Year, Subsidiary upto 30.03.2015)	Ultimate Holding Company	Enterprise over which relative of KMP have control	Enterprise over which KMP have significant influence and control	KMP	Total
1	Investments	- (-)	2,42,00,000 (2,42,00,000)	- (-)	- (-)	- (-)	- (-)	2,42,00,000 (2,42,00,000)
2	Deposits for Premises	- (-)	- (-)	2,62,51,740 (2,62,51,740)	- (-)	- (-)	4,30,00,000 (4,25,00,000)	6,92,51,740 (6,87,51,740)
3	Amounts Payable to Asit C Mehta Financial Services Limited	- (-)	- (-)	2,27,746 (-)	- (-)	- (-)	- (-)	2,27,746 (-)
4	Amounts Receivable from Nucleus It Enabled Services Limited	63,584 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	63,584 (-)
5	Amount Receivable from Asit C Mehta Financial Services Limited	- (-)	- (-)	7,57,89,114 (5,80,71,269)	- (-)	- (-)	- (-)	7,57,89,114 (5,80,71,269)
6	Amount Receivable from Asit C. Mehta Commodity Services Ltd.	- (-)	75,80,472 (14,84,774)	- (-)	- (-)	- (-)	- (-)	75,80,472 (14,84,774)

(Figures in brackets relate to previous year)

Apart from the above, the Managing Director and Wholetime director have furnished Collaterals by creating suitable mortgage on certain personal immovable and personal guarantees in favour of the State Bank of India & Bank of India for securing various credit facilities sanctioned to the Company.



## Expenditure in Foreign Currency

	As at 31/03/2016	As at 31/03/2015
29 Travelling Expenses	87,731	61,025

30 For ascertaining the impairment loss, in respect of the Fixed Assets held for disposal, in the year 2014-15, the Company appointed Technical Advisors to estimate the possible net realizable value of the said items of Fixed Assets. The said Technical Advisors have determined and submitted their Valuation Report for the Year 2014-15 in respect of each item of Fixed Assets held for disposal. Accordingly, based on this Valuation Report, the Company has continued to recognize the impairment loss on the same basis and has recognised impairment loss of Rs. 35,21,197/- ( Previous year Rs.19,00,274/-) in its books.

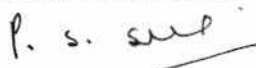
31 Consequent to enforcement of sub-section (3) of section 129 of the Companies Act, 2013, effective from 01.04.2015, to comply with the requirements of consolidation of financial statements with subsidiaries, the Group has prepared and presented these consolidated financial statements for the first time, covering the financial year from 1st April, 2015 to 31st March, 2016. In view of this, while furnishing the previous figures, the figures of the subsidiary for the financial year commencing from 01.04.2014 to 31.03.2015 have not been consolidated with the standalone financial statements of the Company.

32 Additional Information to the Consolidated Financial Statements as required under Schedule III to the Companies Act, 2013 relating to the enterprises consolidated as subsidiary for the year ended 31st March, 2016



Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profits or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company - Asit C Mehta Investment Intermediates Limited	100.36	16,15,01,715	107.49	82,59,947
Foreign Subsidiary- Asit C Mehta Comdex Services DMCC	3.29	52,99,868	(5.56)	(4,27,444)
Less: Inter-company transactions eliminated	(3.65)	(58,75,310)	(1.93)	(1,47,998)
Total	100	16,09,26,273	100	76,84,505

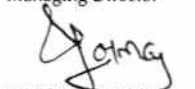
33 Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE  
For CHANDRAKANT & SEVANTILAL  
Chartered Accountants  
Firm Registration No. 101675W

  
(PRADEEP S. SHAH)  
Partner  
Membership No : 030632

FOR AND ON BEHALF OF BOARD OF DIRECTORS

   
(DEENA A. MEHTA) (KIRIT H. VORA)  
Managing Director Whole Time Director

  
(PANKAJ PARMAR)  
Chief Financial Officer

PLACE : MUMBAI  
DATED : 20TH MAY,2016

PLACE : MUMBAI  
DATED : 20TH MAY,2016

