

CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

Pradeep S. Shah
Kiran C. Shah

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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 **31st March, 2017**, 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 standalone 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 standalone financial statements are free from material misstatement.

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



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the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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. 74,78,316/- 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, including losses incurred 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. 3,07,02,515/- as against the reported net loss of Rs. 2,32,24,199/- 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. In respect of this matter, our audit report for the year ended 31st March, 2016 was similarly qualified.

- (2) In respect of the Company's Trade Receivables of Rs. 1,54,00,802/- and Amounts due from Constituents to the extent of Rs. 1,06,03,623/-, reflected in and classified as Non-Current Assets in the Balance Sheet, we were unable to obtain sufficient audit evidence about their carrying amounts as well as their realisability. Also, they have remained unreaalised since last six years or thereabout. In absence of sufficient 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 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. 4,92,28,624/- as against the reported net loss of Rs. 2,32,24,199/-. 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. In respect of this matter, our audit report for the year ended 31st March, 2016 was similarly qualified.
- (3) The Company had made investment in equity share capital in an overseas wholly owned subsidiary ("the WOS") to the extent of Rs. 75,14,370/-. Further, the Company has granted interest free loans of Rs. 28,53,773/- to the WOS.



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As per the audited financial statements and Directors' Report for the year ended 31st December, 2016, the WOS has discontinued its business operation and has applied for liquidation to the Dubai Multi Commodity Centre, the Authority. The said audited financial statements of the WOS have been reported to have not been prepared on "going concern" principle. These audited financial statements *inter alia*, do reflect some assets, which if realized may not be equivalent to the carrying amounts of Investment and loans. The management has not made available any sufficient audit evidence in support of its contention for not recognizing the decline in value by providing for diminution in its value of investment and for non-writing off the said amount of loans. Thus, the Company continues to carry the said value of Investment at cost and classifying the loans as good and recoverable, awaiting the final disposal of all its assets.

In absence of sufficient appropriate audit evidence supporting the views taken by the management and thereby non-recognizing the decline in value of this investment, although, from the circumstantial evidences the diminution in value suggest to be not fully temporary in nature, is not in compliance with the relevant requirements, *inter alia*, recognizing decline and providing for diminution in value as specified in the Accounting Standard- 13- "Accounting for Investments". Similarly, classifying the loans granted to WOS, as good and recoverable, although there is no sufficient resources available with the said WOS, and not providing as doubtful, construes to consider a contingent asset as realizable asset.

Had the Company recognized the decline and provided for diminution in value of this investment and the loans, the Statement of Profit & Loss would have reflected net loss of Rs. 3,35,92,342/- as against the reported net loss of Rs.



2,32,24,199/- and to that extent the Non-Current Assets are overstated and the negative amounts of Reserves and Surplus are understated.

The combined possible financial effects of the above items (1). (2) and (3) are as follows:

- the Statement of Profit & Loss would have reflected net loss of Rs. 6,70,75,083/-, against the net loss reported presently at Rs. 2,32,24,199/-; and consequently, the balance of Reserves and Surplus would have been in negative at Rs. 9,66,84,478/-, against the said balance presently being reported at Rs. 5,28,33,594/-; and
- the Non-Current Assets and Other Current Assets would have been lower by an aggregate amount of Rs. 4,38,50,884/-.

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 31st March, 2017, and its loss and its cash flows for the year ended on that date.



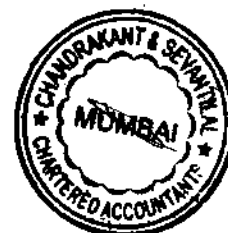
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, 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;
 - (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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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;



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- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses;
- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- (iv) the Company has provided requisite disclosures in Note 31 to its standalone financial statements as to its holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Company.

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



(PRADEEP S. SHAH) Partner
Membership No. 030632

Mumbai:
Dated: 18th May, 2017



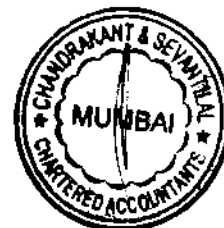
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Fort, Mumbai - 400 001.**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

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

Matters specified in paragraphs 3 and 4 of the Order	Auditors' Statements on the matters
<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>Some of the items of the fixed assets were physically verified.</p> <p>No.</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, which is under liquidation, is outstanding for more than ninety days at the end of the year, the realisability of which is doubtful, as reported under para (3) titled "Basis for Qualified Opinion". 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</p>



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



<p><i>State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, Value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;</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>applicable to it. As explained to us, there were no dues payable under sales-tax, duties of customs & 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 31.03.2017 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)</i></p>	<p>No such moneys were raised during the year, hence this</p>



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



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

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

P. S. Shah

(PRADEEP S. SHAH) Partner
Membership No. 030632

Mumbai:
Dated: 18th May, 2017



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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 31st March, 2017 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.



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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 weakness has been identified as at 31st March, 2017:

- 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.

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 weakness described above on the achievement of the objectives of the control criteria, considering nature of activities, size of operation and organizational structure of the entity and exercise of controls through personal supervision by the management, the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were



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operating effectively as at **31st March, 2017**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness 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 **31st March, 2017**, and this material weakness does 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

P. S. Shah

(PRADEEP S. SHAH) Partner
Membership No. 030632

Mumbai:
Dated: 18th May, 2017



**ASIT C MEHTA INVESTMENT
INTERMEDIATES LIMITED**

FINANCIAL STATEMENT 2016-17

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
BALANCE SHEET AS AT 31st MARCH, 2017

Particulars		Note No.	As at 31/03/2017	As at 31/03/2016
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		2	191,111,110	191,111,110
(b) Reserves and Surplus		3	(52,833,594)	(29,609,395)
			138,277,516	161,501,715
2 Non-Current Liabilities				
(a) Long-term borrowings		4	19,587,954	68,000,000
(b) Other Long-term Liabilities		5	34,936,418	35,833,881
			54,524,372	103,833,881
3 Current Liabilities				
(a) Short-term borrowings		6	150,973,669	184,622,042
(b) Trade Payables		7	18,245,126	14,133,328
(c) Other current liabilities		8	459,473,617	258,969,539
(d) Short-term provisions		9	490,124	259,457
			629,182,536	457,984,366
TOTAL			821,984,428	723,319,962
II. ASSETS				
1 Non-Current Assets				
(a) Fixed assets		10		
(i) Tangible assets			24,305,784	25,382,721
(ii) Intangible assets			8,467,648	8,961,539
			32,773,431	34,344,260
(b) Non-current investments		11	32,023,588	32,023,588
(c) Deferred tax assets (net)		12	7,337,104	13,499,149
(d) Long-term loans and advances		13	100,214,531	109,648,014
(e) Other non-current assets		14	38,537,143	51,652,660
			178,112,366	206,823,411
2 Current Assets				
(a) Trade Receivables		15	6,708,520	7,626,029
(b) Cash and Bank Balances		16	285,559,819	241,537,495
(c) Short-term loans and advances		17	187,120,158	84,330,634
(d) Other current assets		18	131,710,134	148,658,133
			611,098,630	482,152,291
TOTAL			821,984,428	723,319,962

Significant Accounting Policies and Notes to Accounts

1 to 32

AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & 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

Kirish Vora

(KIRISH VORA)

Whole Time Director

Pankaj Parmar

(PANKAJ PARMAR)

Chief Financial Officer

PLACE - MUMBAI

DATE - 18th May 2017

Mehta Sagarwar

(MEHA SIKARWAR)

Company Secretary

PLACE - MUMBAI


DATED - 18th May 2017



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

Particulars		Note No.	For the year ended 31/03/2017	For the year ended 31/03/2016
I	INCOME			
1	Revenue from operations	19	294,465,762	229,729,379
2	Other income	20	26,691,316	84,050,287
	Total Revenue		321,157,077	313,779,666
II	EXPENDITURE			
1	Employee benefits expense	21	84,125,869	80,368,647
2	Finance costs	22	33,563,672	33,192,861
3	Depreciation and amortization expense		8,031,458	10,864,453
	Less: Transfer from Revaluation Reserve		-	(819,036)
			8,031,458	10,045,417
4	Other expenses	23	212,461,214	161,675,741
	Total Expenses		338,182,212	305,282,666
III	Profit / (Loss) before Exceptional and Extra Ordinary items and Tax		(17,025,135)	8,497,000
	Add: Exceptional and Extra Ordinary items			
IV	Profit / (Loss) before tax		(17,025,135)	8,497,000
	Tax expense:			
	(1) Current tax			
	(2) Deferred tax (Net)		(6,162,044)	(3,736,152)
	(3)(Short)/Excess tax of earlier years (Income Tax Refund)		(37,021)	3,499,099
V	Profit / (Loss) after tax for the year		(23,224,199)	8,259,947
VI	Earnings per equity share:			
	(Face value of Rs. 10/- Per Share)	24		
	(1) Basic		(2.09)	0.74
	(2) Diluted		(1.83)	0.85

Significant Accounting Policies and Notes to Accounts
AS PER OUR REPORT OF EVEN DATE
For CHANDRAKANT & SEVANTILAL
Chartered Accountants
Firm Registration No. 101675W

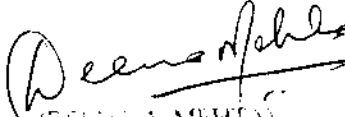

(PRADEEP S. SHAH)
Partner
Membership No. 030632

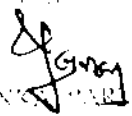
PLACE : MUMBAI
DATED : 18th May 2017

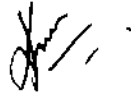


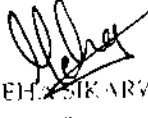
1 to 32

FOR AND ON BEHALF OF BOARD OF DIRECTORS


(DEENA A. MEHTA)
Managing Director


(PANKAJ PARTHASARTHY)
Chief Financial Officer
PLACE : MUMBAI
DATED : 18th May 2017


(KIRAN U. VORA)
Whole Time Director


(MEHA S. KARWAR)
Company Secretary

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	For the year ended 31/03/2017		For the year ended 31/03/2016	
Cash Flow From Operating Activities				
Net profit/(loss) before tax		(17,025,135)		8,497,000
Adjustments for				
Depreciation & Amortisation (Net)	8,031,458		10,045,417	
Interest income	(26,412,803)		(29,979,167)	
Dividend income	(6,621)		(11,249)	
Interest expense	33,563,672		33,192,861	
Loss on Sale of Fixed Assets	53,617		49,995	
Profit on Sale of Office Premises	-		(2,107,524)	
Fixed Assets Written Off	479,029		2,617,443	
Impairment Loss on Assets held for Disposal	5,526,182		3,521,197	
Realised Gain on sale of office premises	-		(47,957,358)	
Foreign Exchange Difference	89,261	21,323,795	(147,998)	(30,776,383)
Operating profit/(loss) before working capital changes		4,298,660		(22,279,383)
Adjustments for (Increase)/Decrease in operating assets				
(Increase) / Decrease in Trade Receivables	917,509		2,819,576	
(Increase) / Decrease in Long Term loans & Advances	9,413,483		7,733,048	
(Increase) / Decrease in Other Non Current Assets	13,115,517		(2,006,617)	
(Increase) / Decrease in Other Bank FD's	(47,422,332)		(12,129,622)	
(Increase) / Decrease in Short Term Loans & Advances	(102,878,784)		(37,924,047)	
(Increase) / Decrease in Other Current assets	16,948,000	(109,885,606)	3,919,736	(37,587,925)
Adjustments for Increase/(Decrease) in operating liabilities				
Increase / (Decrease) in Long Term liabilities	(897,463)		(2,436,176)	
Increase / (Decrease) in Trade payables	4,111,798		(2,468,325)	
Increase / (Decrease) in Other current liabilities	199,380,286		(32,076,384)	
Increase / (Decrease) in Short term Provisions	230,667		61,305	
		202,825,288		(26,919,880)
Cash generated from operating activities		97,237,342		(86,787,189)
Refund received / (Taxes paid) (Net of earlier Year Tax Adjustment)		(37,021)		3,499,099
Net cash From Operating Activities (A)		97,200,321		(83,288,090)
Cash Flow From Investing Activities				
Purchase of fixed assets	(7,039,679)		(4,200,583)	
Sale of Fixed Assets	46,400		80,333,829	
Adjustment of Carrying Value in Fixed Assets	(5,325,182)		(3,521,198)	
Interest received	26,412,803		29,979,167	
Dividend received	6,621		11,249	
Net cash generated from investing activities (B)		13,899,972		702,602,460



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	For the year ended 31/03/2017		For the year ended 31/03/2016	
Cash Flow From Financing Activities				
Term Loan Repayment	(50,000,000)		-	
Proceeds from Term Loan	2,711,747		-	
Repayment / Proceeds of Bank overdraft	(35,148,374)		35,027,649	
Intercompany deposit received / (repaid)	22,000,000		(3,000,000)	
Intercompany deposit received / (repaid)	(20,500,000)		-	
Interest Paid	(33,563,672)		(33,192,861)	
Net cash used in financing activities (C)		(114,500,299)		(1,165,212)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		(3,400,006)		18,149,158
Cash and Cash Equivalents - Opening 1st April		39,706,293		21,557,135
Cash and Cash Equivalents - Closing 31st March		36,306,287		39,706,293

NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

1 Cash & Cash Equivalents Include .

Cash on Hand	432,403	284,004
Balances with Banks In Current and Cash Credit Accounts	35,873,882	39,422,289
	<u>36,306,287</u>	<u>39,706,293</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.

Significant Accounting Policies and Notes to Accounts

1 to 32


AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

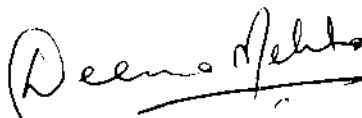
FOR AND ON BEHALF OF BOARD OF DIRECTORS



(PRADEEP S. SHAH)

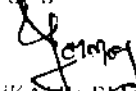
Partner

Membership No : 030632



(DEENA A. MEHTA)

Managing Director

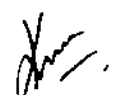


(PANKAJ PARMAR)

Chief Financial Officer

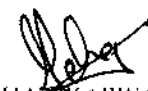
PLACE, MUMBAI

DATED : 18th May, 2017



(KIRISH VORA)

Whole Time Director



(MEHA SIKARWAR)

Company Secretary

PLACE MUMBAI

DATED : 18th May, 2017



Note-1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2017

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.
- 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, Debit 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.

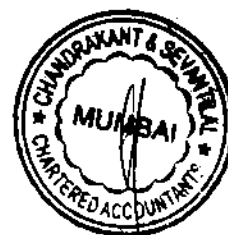
1.3 FIXED ASSETS, INTANGIBLES, VALUATION, DEPRECIATION AND AMORTISATION

i Fixed assets, are stated at cost of acquisition as reduced by input tax credit available under Service Tax Rules/CE/VAT 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 Expenses on intangibles (software / licenses) are capitalized if the same are likely to provide significant economic benefits over the future period.

iii 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 2014-15, the Company has adopted the useful lives of respective item of fixed assets as determined by the Valuation Advisor and for additions during the year as prescribed in Part C of Schedule II

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
Furniture and Fixture	12 years	10 years
Computer - End Users	8 years	3 years
Computer - Server, HUB, Router	10 years	6 years
Office Equipement	11 years	5 years
Other Equipements *	14 years	5 years
Electrical Installation	14 years	10 years
Vehicles	10 years	8 years

Justification for adopting longer useful lives

- Due to Regular Maintenance through Qualified Technicians onsite.
- Maintenance Contract from Specialist or Original Manufacturer of the product, this ensures quality of services to get longer economic benefit from the product.
- Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.

* 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 10 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.

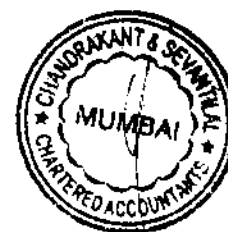
v IMPAIRMENT

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.

1.4 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.

1.5 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.



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

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.



Note 2 Share Capital

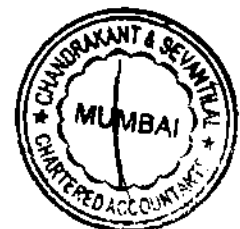
2.1

Particulars	As at 31/03/2017	As at 31/03/2016
Authorized:		
11,250,000 [Previous Year 11,250,000] Equity Shares of Rs. 10 each	112,500,000	112,500,000
9,000,000 [Previous Year 9,000,000] Preference Shares of Rs. 10 each	90,000,000	90,000,000
	202,500,000	202,500,000
Issued, Subscribed and fully Paid up:		
EQUITY SHARE CAPITAL		
11,111,111 [Previous Year 11,111,111] 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., Holding Company]	111,111,110	111,111,110
PREFERENCE SHARE CAPITAL		
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]	45,000,000	45,000,000
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]	15,000,000	15,000,000
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]	20,000,000	20,000,000
	191,111,110	191,111,110

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	11,111,111 (11,111,111)	4,500,000 (4,500,000)	1,500,000 (1,500,000)	2,000,000 (2,000,000)
Add : Shares Issued, Subscribed and fully Paid up during the year	- (-)	- (-)	- (-)	- (-)
Less : Shares Redeemed/Bought back during the year	- (-)	- (-)	- (-)	- (-)
Shares outstanding at the end of the year	11,111,111 (11,111,111)	4,500,000 (4,500,000)	1,500,000 (1,500,000)	2,000,000 (2,000,000)

(Figures in brackets relate to previous year)



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

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

Name of Shareholder	As at 31/03/2017		As at 31/03/2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Shri Asit C. Mehta	3,191,566	28.72	3,191,566	28.72
Smt. Deena A. Mehta	1,537,516	13.84	1,537,516	13.84
Asit C Mehta Financial Services Ltd.	5,561,111	50.05	5,561,111	50.05
Asit C Mehta Commodity Services Ltd.	572,500	5.15	572,500	5.15
9% Cumulative Redeemable Preference Shares				
Shri Asit C. Mehta	2,250,000	50.00	2,250,000	50.00
Smt. Deena A. Mehta	2,250,000	50.00	2,250,000	50.00
4% Cumulative Redeemable Preference Shares				
Shri Asit C. Mehta	800,000	53.33	800,000	53.33
Smt. Deena A. Mehta	700,000	46.67	700,000	46.67
4% Cumulative Redeemable Preference Shares				
Shri Asit C. Mehta	1,000,000	50.00	1,000,000	50.00
Smt. Deena A. Mehta	1,000,000	50.00	1,000,000	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

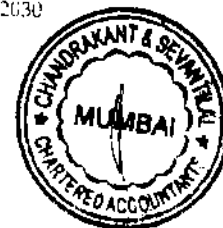
-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

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.



Notes to the Financial Statements

Note-3 Reserves & Surplus

₹

3.1

Particulars	As at 31/03/2017	As at 31/03/2016
a. Securities Premium Reserve Account		
As per Last Balance sheet	70,222,220	70,222,220
	70,222,220	70,222,220
b. Revaluation Reserve		
As per Last Balance sheet	-	48,776,394
Less: Realised gain transferred to Statement of Profit & Loss [Refer Note 1.3 (vi)]	-	47,957,358
Less: Transferred to Statement of Profit & Loss [Refer Note 1.3 (iv)]	-	819,036
	-	-
c. General Reserve		
As per Last Balance sheet	17,995,126	17,995,126
	17,995,126	17,995,126
d. Surplus in Statement of Profit & Loss		
As per Last Balance sheet	(117,826,741)	(126,086,688)
Add : Net Profit / (Loss) For the current year	(23,224,199)	8,259,947
	(141,050,940)	(117,826,741)
	(52,833,594)	(29,609,395)

Note 4 Long Term Borrowings

₹

4.1

Particulars	As at 31/03/2017	As at 31/03/2016	As at 31/03/2017	As at 31/03/2016
	Non Current		Current	
Secured				
Term loans				
From Others				
[From Peerless Financial Services Limited, earlier 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]	-	50,000,000	-	-
[From Diamler Financial Services India Private Limited secured by hypothecation of Motor Car]	1,587,954	-	1,123,793	-
	1,587,954	50,000,000	1,123,793	-
Unsecured				
14% Compulsory Convertible Debentures				
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.	18,000,000	18,000,000	-	-
	18,000,000	18,000,000	-	-
	19,587,954	68,000,000	1,123,793	-



4.2 Maturity Profile

₹

Particulars	Current Portion	Non Current Portion
	2017-18	2018-19 to 2019-20
Car Loan from other (From Diamler Financial Services India Private Limited secured by hypothecation of Motor Car)	1,123,793	1,587,954
	1,123,793	1,587,954

Note 5 Other Long Term Liabilities

5.1

₹

Particulars	As at 31/03/2017	As at 31/03/2016
Others		
Base Capital Deposits	34,936,418	35,833,881
	34,936,418	35,833,881

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. 34,936,418/- (Previous year Rs. 35,833,881/-), which includes the value of securities received in the form of shares and securities of Rs. 5,195,493/- (Previous Year - Rs. 45,19,420/-).
- 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 31/03/2017	As at 31/03/2016
	Secured		
	By Banks		
	[From State Bank of India (overdraft facility) 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]	149,473,669	149,557,850
	[From Bank of India (overdraft facility) earlier 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]	-	35,064,192
		149,473,669	184,622,042
	Unsecured		
	Inter Corporate Deposit		
		1,500,000	-
		1,500,000	-
		150,973,669	184,622,042

- 6.2 i) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 4.50% p.a. (Presently Rate 13.55% p.a.) (Previous Year 13.80% 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 12.75% p.a.) (Previous Year 13.75% p.a.)
- iii) On Inter Corporate Deposit Interest is paid between the range of 11.50% to 15% p.a. (Previous Year @12% to 15% p.a.)

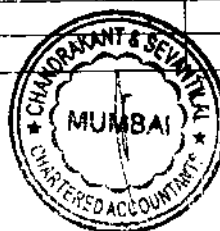
Note 7 Trade Payables

₹

7.1	Particulars	As at 31/03/2017	As at 31/03/2016
	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	18,245,126	14,133,328
		18,245,126	14,133,328

- 7.2 Disclosure relating to the requirements prescribed in Item 6(F-A) below the General Instructions for preparation of Balance Sheet, Part I of Schedule III to the Companies Act, 2013, relating to the details of Micro, Small and Medium Enterprises:

Amounts payable to Micro and Small Enterprises	As at 31/03/2017	As at 31/03/2016
(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 31/03/2017	As at 31/03/2016
	Current maturities of long-term borrowings(Refer Note 4.1)	1,123,793	-
	Amounts Due to Constituents	385,696,084	225,178,384
	Statutory Dues	4,365,084	5,637,996
	Shares Received as margin from Constituents (Refer note 8.2)	66,481,005	22,741,904
	Security Deposit against Rental of Premises	-	4,360,500
	Other Liabilities	1,807,651	1,050,754
		459,473,617	258,969,539

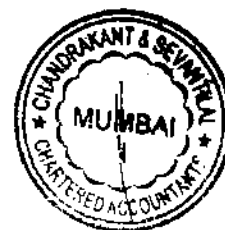
8.2 MARGIN FROM CONSTITUENTS

- 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 31/03/2017	As at 31/03/2016
	Provision for employee benefits		
	Employee Salaries	5,722	16,972
	Leave Encashment (Refer note 21.2)	244,848	152,017
	Gratuity (Refer note 21.2)	239,554	90,468
		490,124	259,457



Note 10 - Fixed Assets

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Description	Gross Block			Depreciation/Amortization			Net Block	
	Balance as at 1/4/2016	Additions	Disposals/ Sales/discarded	Balance as at 31/03/2017	For the Year	On disposals/ Sales/discarded	Balance as at 31/03/2017	Balance as at 31/03/2016
a) Tangible Assets-Owned								
Office and Other Equipments	28,115,443	657,260	5,672,304	23,100,399	2,680,928	5,124,218	8,087,802	10,659,556
Electric Installation	2,156,450	-	-	2,156,450	205,997	-	728,943	934,940
Furniture and Fixtures	27,121,573	-	41,616	27,080,527	2,601,856	26,015	7,830,382	10,447,269
Computers	12,846,393	2,055,497	170,420	14,731,470	988,713	154,514	3,968,804	2,917,926
Vehicles	989,684	3,540,913	-	4,530,597	274,072	-	3,689,871	423,030
	71,229,543	6,253,670	5,883,770	71,599,443	6,751,566	5,304,747	24,305,802	25,382,721
b) Intangible Assets-Owned								
Computer software	24,587,401	786,000	-	25,373,401	1,279,891	-	8,467,648	8,961,539
	24,587,401	786,000	-	25,373,401	1,279,891	-	8,467,648	8,961,539
Current Year	95,816,944	7,039,670	5,883,770	96,972,844	8,031,457	5,304,747	32,773,450	34,344,260
Previous Year	196,716,050	4,200,588	105,249,425	95,816,944	10,864,453	24,355,682	34,344,260	121,901,868



Note 11 Non Current Investments-Other than Trade

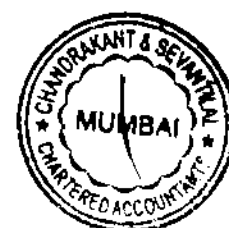
11.1	Sr. No.	Name of the Body Corporate	Amount	
			As at 31/03/2017	As at 31/03/2016
		Investment in Equity Instruments		
		Shares of Rs. 10/- each Fully Paid Up unless otherwise Stated		
		Quoted- At Cost		
	1	7000 Omnitex Industries (India) Limited (7000)	30,543	30,543
		694 BSE Limited (Share of Re 1 each) (-)	260,250	-
			290,793	30,543
		Unquoted -At Cost		
		In Equity shares of Wholly Owned subsidiary (fully paid up)		
	2	600 Asit C Mehta Comdex Services, DMCC (share of 1,000 Dirhams-AED) (600)	7,514,370	7,514,370
		In Equity shares of others (fully paid up)		
	3	200000 Asit C. Mehta Commodity Services Ltd. (200000)	24,200,000	24,200,000
	4	- BSE Limited (Share of Re 1 each) (694)	-	260,250
	5	2750 Vippy Industries Limited (Face Value Re 1/- per share) (2750)	18,425	18,425
			32,023,588	32,023,588

(Figures in brackets relate to previous year)

- 11.2 In view of long term and strategic holdings, Investments in Asit C Mehta Commodity Services Ltd. Is carried at cost and diminution with reference to its value ,if any, is not recognized.Asit C Mehta Comdex Services ,DMCC is in the process of winding up and till the final realization of all its assets, the investments therein are carried at cost.

11.3	Particulars	As at 31/03/2017	As at 31/03/2016
	Investment in Equity Instruments	32,023,588	32,023,588
	Less Provision for diminution in the value of Investments	-	-
		32,023,588	32,023,588

11.4	Particulars	As at 31/03/2017	As at 31/03/2016
	Aggregate amount of quoted investments (Market value Rs.7,59,439/- (Previous Year Rs.91,000/-)	290,793	30,543
	Aggregate amount of unquoted investments	31,732,795	31,993,045



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.6,162,044/- [Previous year Reversal of Deferred Tax Assets (Net of Liabilities) Rs 3,736,152/-] has been debited to the Statement of Profit and Loss. Major components are as under:

Particulars	As at 31/03/2017	As at 31/03/2016
Deferred Tax Liabilities:		
Depreciation	(665,238)	(1,097,729)
Total	(665,238)	(1,097,729)
Less:-		
Deferred Tax Assets:		
Business loss	7,478,316	13,725,069
Expenses allowable on payment basis	524,026	871,809
Total	8,002,342	14,596,878
Net Deferred Tax Assets / (Tax Liabilities)	7,337,104	13,499,149

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.6,246,752/- (Previous Year 4,582,277/-) has been reversed.

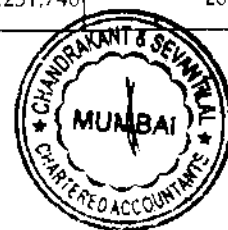
Note 13 Long Term Loans and Advances

13.1

Particulars	As at 31/03/2017	As at 31/03/2016
Unsecured, considered good		
a) Capital Advances		5,787,500
b) Security Deposits		
<u>Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations</u>		
The National Securities Clearing Corporation Limited	16,900,000	16,900,000
BSE Ltd.	125,000	125,000
Central Depository Services (India) Ltd	750,000	750,000
Metropolitan Stock Exchange of India Ltd.	1,000,000	1,000,000
	18,775,000	18,775,000
Deposits for Premises and Other Deposits	70,282,191	70,182,191
c) Shares Received As Margin From [See Note 5.2 (e)]		
Business Associates	5,195,493	4,519,420
d) Other Advances		
Prepaid Expenses	788,519	969,272
Advance Income Tax	5,173,328	9,414,630
	100,214,531	109,648,014

13.2

Loans and Advances include Security Deposits for premises on Leave and Licence	As at 31/03/2017		As at 31/03/2016	
	Balance Due	Max. Balance	Balance Due	Max. Balance
i) to Managing Director	25,500,000	25,500,000	25,500,000	25,500,000
ii) to Whole time Director	17,500,000	17,500,000	17,500,000	17,500,000
ii) to Holding Company	26,251,740	26,251,740	26,251,740	26,251,740



Notes to the Financial Statements

Note 14 Other Non Current Assets ₹

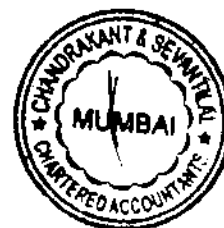
14.1	Particulars	As at 31/03/2017	As at 31/03/2016
	Long Term Trade Receivable		
	Outstanding for a period exceeding six months from the date they were due for payment (Refer Note -14.2) (Subject to Confirmation)		
	Unsecured, considered good	15,400,802	19,119,694
		15,400,802	19,119,694
	Amounts Due from Business Associates		
	Secured against Base capital Deposits	1,413,627	770,376
	Unsecured, considered good	3,078,493	3,115,315
	Doubtful (See Note 14.3)	117,516	158,878
		4,609,636	4,044,569
	Amounts Due from Constituents		
	Secured against Shares	953,175	5,087,528
	Unsecured, considered good	17,573,530	23,400,869
		18,526,705	28,488,397
		38,537,143	51,652,660

14.2 Long term Trade receivables as above includes amounts receivable from constituents in respect of depository services rendered to them. Some constituents remained inactive and did not participate in markets during the last few years. The company continues to service the accounts as stipulated by the regulatory norms. In view of the continuing relationship and various ongoing efforts that yield results in recovering the dues, it has classified them as good and hence no provision is considered 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 31/03/2017	As at 31/03/2016
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they were due for payment	4,291,768	5,852,672
	Other Debts	2,416,752	1,773,357
		6,708,520	7,626,029



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

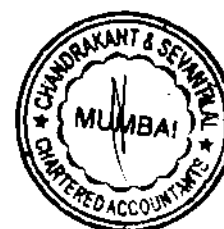
Notes to the Financial Statements

Note 16 Cash and Bank Balances

₹

16.1	Particulars	As at 31/03/2017	As at 31/03/2016
	a) Cash and cash equivalents		
	Balances in Current Accounts	35,873,882	39,422,289
	Cash on hand	432,403	284,004
		36,306,285	39,706,293
	b) Other Bank balances		
	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.3,746,036/- (previous year Rs.2,989,725/-)]	123,746,037	45,089,726
	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.132,497/- (previous year Rs.6,846,475/-)]	125,507,497	156,741,476
		285,559,819	241,537,495

- 16.2 Fixed Deposits with Banks include Rs.61,500,000/- (Previous Year Rs.61,500,000/-) pledged against guarantees given by banks.
- 16.3 Fixed Deposits with Bank of India include Rs.60,000,000/- (Previous Year Rs.60,000,000/-) 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.62,500,000/- (Previous Year Rs.62,500,000/-) 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 to the Financial Statements

17 Short Term Loans & Advances

17.1	Particulars	As at 31/03/2017	As at 31/03/2016
	Capital Advances (Unsecured, Considered Good)		
		5,787,500	-
	Others		
	Unsecured, considered good		
	Loans To Staff	419,943	391,500
	Loan to wholly owned subsidiary -Asit C Mehta Comdex DMCC *		
	(Maximum balance outstanding Rs.2,990,650; P.Y. Rs. 2,981,210)	2,853,773	2,981,210
	Loan to Asit C. Mehta Commodity Services Ltd.** (Including interest accrued Rs.Nil; P.Y. Rs.1,020,472)	9,730,472	7,580,472
	Loan to fellow subsidiary - Nucleus IT Enabled Services Limited		
	(Maximum balance outstanding Rs.33,000,000; P.Y. NIL)	53,000,000	-
	Cenvat Credit Receivable	961,801	592,706
	Service Tax Refund Receivable	544,685	553,339
	Prepaid Expenses	3,976,617	3,130,343
	Deposit with Clearing house	5,717,234	4,317,234
	Deposit with Stock Exchange	10,000	10,000
	Balances with Stock Exchanges	36,279,764	41,170,076
	Shares Received As Margin From [See Note 8.2]		
	Constituents	66,481,005	22,741,904
	Advances recoverable in cash or in kind or for value to be received	1,357,364	861,850
	(Includes receivable from Holding Company Rs.Nil; Previous Year Rs.378,195/-)		
		187,120,158	84,330,634

* Total loans given for business purpose Rs.514,584/- (Previous Year Rs.1,606,004/-) and have been utilised for the same.

** Wholly Owned Subsidiary till 30-03-2015. Total loans given were Rs.92,200,000/- (Previous Year Rs. 109,520,472/-) and received back Rs.92,200,000/- (Previous Year Rs.101,940,000/-). 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 Rs 203,000,000/- (Previous Year Rs.3,100,000) and received back Rs. 150,000,000/- (Previous Year Rs.3,100,000/-). The loans were for business purpose and have been utilised for the same.

Note 18 Other Current Assets

18.1	Particulars	As at 31/03/2017	As at 31/03/2016
	Amounts Due from Business Associates		
	Secured against Base capital Deposits, considered good	-	18,205
	Unsecured, considered good	41,986	10,173
	Doubtful	-	-
		41,986	28,378
	Amounts Due from Constituents		
	Secured against Shares , considered good	121,731,492	57,476,565
	Unsecured, considered good	9,857,329	10,172,784
		131,588,821	67,649,349
	Fixed Assets held for Disposal (At Net Realisable Value)	-	5,526,182
	Receivable for Sale of Office Premises from Holding Company	-	75,410,919
	Interest Accrued But Not Due on Other Deposits	79,327	43,305
		131,710,134	148,658,133

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.



Note 19 Revenue from Operations

₹

19.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Sale of services		
	Brokerage from Stock Exchange Operations	228,618,597	191,119,900
	Brokerage from Money Market Operations	915,462	543,604
	Brokerage income from Mutual Fund / Bond	10,760,523	7,954,596
	Demat Income	28,604,620	21,092,167
	Arranger Fees for Fund Mobilization	1,538,386	1,845,087
	Corporate Advisory Services / Merchant Banking	9,529,744	1,409,129
	b) Other Operating Revenue		
	Profit / (Loss) on Security Transactions	2,256,966	(4,149,351)
	Miscellaneous Receipts	12,241,463	9,914,247
		294,465,762	229,729,379

19.2 Miscellaneous Receipts include Rs.9,332,489/- (Rs.6,851,163/-) being Income from Late Payment

Note 20 Other Income

₹

20.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Interest Income		
	Interest on Fixed Deposits with banks	15,977,920	15,374,110
	Interest from Holding Company on delayed payment of Sale Consideration	-	5,250,604
	Interest on Loan	9,543,753	1,145,108
	Interest on Security Deposit with clearing Corporation	190,476	155,661
	Interest on Income - tax Refund	700,654	8,064,935
	b) Dividend income	6,621	11,249
	c) Profit on Sale of Office premises	-	2,107,524
	d) Realised Gain on Sale of Office premises [See Note 1.3 (vi)]	-	47,957,358
	e) Leave and License Fees Received	-	3,591,000
	f) Foreign Exchange Difference (Gain)	-	147,998
	g) Other income		
	Miscellaneous Income	271,892	244,740
		26,691,316	84,050,287

Note 21 Employee Benefits Expense

₹

21.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	Salaries, Allowances and Bonus	73,513,067	72,109,664
	Directors' Remuneration	4,612,000	2,412,000
	Contribution to Provident Fund and Other Funds	2,756,541	2,745,209
	Contribution and Payments for Gratuity	1,380,904	1,289,282
	Staff Welfare Expenses	1,863,357	1,812,492
		84,125,869	80,368,647



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

i) Defined contribution plan:

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

	2016-2017	2015-2016
Employer's contribution to Provident fund and Pension Fund (including of Whole time Directors)	2,918,541	2,907,209

ii) 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	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Benefit Obligation at the beginning of the year	6,920,832	152,017	6,283,353	136,027
Error in disclosure of obligation of earlier year	-	-	393,702	-
Current Service Cost	1,219,071	188,267	1,214,555	152,017
Interest Cost @ 8% (P.Y. 8.35%)	539,588	(18,068)	462,313	(1,315)
Actuarial (gain) / loss	315,676	678,358	66,032	171,069
Benefit Paid	(350,370)	(755,726)	(1,499,923)	(305,781)
Total Defined Benefit Obligation at the year end	8,643,997	244,848	6,920,032	152,017

b) Table showing Changes in Fair value of Planned assets

Particulars	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of planned assets at the beginning of the year	6,829,564	Not Applicable	6,421,744	Not Applicable
Error in disclosure of fair value of planned asset of earlier year	-	-	212,125	-
Expected return on planned assets	605,800	-	541,600	-
Contribution	1,201,305	-	1,205,370	-
Actuarial (gain) / loss	118,144	-	(31,352)	-
Benefits paid	(350,370)	(755,726)	(1,499,923)	(305,781)
Fair value of planned assets at the year end	8,404,443	-	6,829,564	-

c) Expenses recognized during the year

Particulars	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	1,219,071	188,267	1,214,555	152,017
Expected Return on Plan Assets	(605,800)	-	(541,600)	-
Actuarial (gain) / loss	(197,532)	678,358	117,384	171,069
Interest Cost @ 8% (P.Y. 8.35%)	539,588	(18,068)	462,313	(1,315)
Total	955,327	848,557	1,252,652	321,771

d) Actuarial Assumptions

Particulars	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Rate (L.I.C.)	IAALM (2006-08) Ult. (Ultimate)	IAALM (2006-08) Ult. (Ultimate)	IAALM (2006-08) Ult. (Ultimate)	IAALM (2006-08) Ult. (Ultimate)
Withdrawal Rate	1%	1%	1%	1%
Discount Rate/Interest Rate	7.44%	7.44%	8.00%	8.00%
Salary Escalation	6.5%	6.5%	5%	5%
Retirement Age	58 Years	58 Years	58 Years	58 Years



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

Note 22 Finance Cost

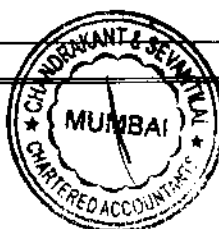
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22.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Interest Expense		
	On Term Loan from NBFC	6,357,707	7,019,179
	On Cash Credit Accounts	21,344,054	20,245,658
	On Car Loan	106,687	-
	On Inter corporate Deposits	881,111	884,541
	On Unsecured Debentures	2,520,000	2,526,904
	Miscellaneous Interest	71,056	34,304
	b) Other Borrowing Cost		
	Bank Guarantee Commission	1,678,568	1,698,804
	Processing Fees for Loan	604,489	783,471
		33,563,672	33,192,861

Note 23 Other Expenses

₹

23.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	Business Associates Expenses	124,903,405	96,263,885
	Service Charges Demat	3,323,043	3,848,804
	Leave and License Fees for Premises	19,363,920	13,133,988
	Office Maintenance	1,652,891	1,933,341
	Marketing Expenses	7,029,380	6,805,306
	Membership & Subscription	3,351,513	3,901,297
	Travelling and Conveyance Expenses	1,930,161	1,819,227
	<u>Repairs and Maintenance</u>		
	To Equipments	7,801,549	6,641,233
	To Others	1,639,281	3,418,784
	Electricity Charges	3,125,111	3,834,800
	Communication, Connectivity & Telephone Expenses (Net)	3,621,736	3,611,495
	Postage and Courier Expenses	1,856,930	2,198,056
	Printing and Stationery (Net)	1,843,233	1,938,742
	Legal and Professional Fees	10,207,167	8,767,619
	Insurance	162,374	118,845
	<u>Auditors' Remuneration (Net of Service Tax) :-</u>		
	- Audit and Tax Audit Fees	1,050,000	825,000
	- Taxation Matter	125,000	125,000
	- Other Services	85,000	43,742
	- Out of Pocket Expenses	13,145	9,182
	Miscellaneous Expenses	5,614,709	3,815,995
	Fixed Assets Written Off	479,029	2,617,443
	Loss On Sale Of Assets	53,617	49,995
	Impairment Loss On Assets held for Disposal	5,526,182	3,521,197
	Amounts written off	4,097,231	6,026,013
	Securities Transaction Tax	1,618,476	160,729
	Rates & Taxes	136,457	522,424
	Service Tax & Swachh Bharat Cess	495,795	360,927
	Stamp Duty	1,120,829	4,905,100
	Prior Period Expenses	134,250	457,571
		212,461,214	181,675,741



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

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.19,363,920/- [Previous year Rs. 13,133,988/-] 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 31/03/2017	As at 31/03/2016
not more than one year	19,008,000	18,035,300
later than one year and not more than five years	59,259,000	11,100,000
later than five years	-	-

Note 24 Basic and Diluted Earning per Share:

24.1

Particulars	As at 31/03/2017	As at 31/03/2016
Basic Earning per Share:		
Net Profit / (loss) after Tax	(23,224,199)	8,259,947
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	(23,224,199)	8,259,947
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	11,111,111	11,111,111
Basic Earning per Share	(2.09)	0.74
Diluted Earning per Share:		
Net Profit / (loss) after Tax	(23,224,199)	8,259,947
Add: Debenture Interest (Net of Tax)	1,741,320	1,746,091
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	(21,482,879)	10,006,038
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	11,111,111	11,111,111
Add: Potential number of Equity Shares that could arise on :		
(i) Conversion of 14% Unsecured Compulsory Convertible Debentures	600,000	600,000
Weighted Average number of Equity Shares	11,711,111	11,711,111
Diluted Earning Per Share	(1.83)	0.85



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

Note 25 Contingent Liabilities & Commitments

25.1 Contingent Liabilities

Particulars	As at 31/03/2017	As at 31/03/2016
a) Claims against the Company not acknowledged as debt		
i) Disputed Claims against Company, not provided for.	740,112	783,708
ii) Company's claims not accepted and matters under litigation	-	893,568
b) Others for which the Company is contingently liable		
Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities	-	-
c) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	-	17,217,500
	740,112	18,894,776

25.2 Details of Arrears of Dividend on Preference Shares

a) On 9% Cumulative Redeemable Preference Shares	20,250,000	16,200,000
b) On 4% Cumulative Redeemable Preference Shares, Redeemable with Premium of 5% per year or part of year	1,808,219	1,208,219
c) On 4% Cumulative Redeemable Preference Shares	1,814,795	1,014,795

25.3 Asit C. Mehta Financial Services Limited, the Holding Company, had borrowed Rs. 10 Crores from ECL Finance Limited and Rs. 10 Crores from ICICI Bank Limited., in aggregate Rs.20 Crores. During the Year, Asit C. Mehta Financial Services Limited has also borrowed Rs.109,500,000/-. 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 01/04/2016	Additions during the year	Amounts paid during the year	Amounts reversed during the year	Balance as at 31/03/2017
Provision for Leave Salary (Refer Note 21.2)	152,017	244,848	152,017	-	244,848
(Previous Year)	(136,027)	(152,017)	(136,027)	(-)	(152,017)
Provision for Diminution in Value of Investments	(-)	(-)	(-)	(-)	(-)
(Previous Year)	(-)	(-)	(-)	(-)	(-)



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

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)

1. Mrs. Deena A. Mehta	Managing Director	3. Mr. Kirit H. Vora	Wholetime Director
2. Mr. Asit C. Mehta	Wholetime Director	4. Mr. Pankaj Parmar	Chief Financial Officer

b. Relatives of Key Management Personnel

Mr. Aditya Asit Mehta Son of Asit C. Mehta

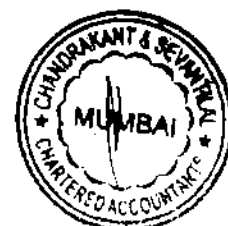
c. Other Related Parties

Name	Nature of Relationship
Asit C. Mehta Commodity Services Ltd.	Company over which the Company has significant influence and control.
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 (i.e. executive directors) 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) have control (No transactions during the year)
Edgytal Digital Marketing Private Limited	Enterprise over which relative of KMP (i.e. executive directors) have 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	Holding Company	Enterprise over which relative of KMP have control	KMP	Total
1	Assets Deposit for Office Premises	(-)	(-)	(-)	(-)	(500,000)	(500,000)
2	Loan Given to Nucleus IT Enabled Services Limited	203,000,000 (3,100,000)	- (-)	- (-)	- (-)	- (-)	203,000,000 (3,100,000)
3	Loan Received back from Nucleus IT Enabled Services Limited	150,000,000 (3,100,000)	- (-)	- (-)	- (-)	- (-)	150,000,000 (3,100,000)
4	Loan Given to Asit C Mehta Commodity Services Ltd.	(-)	94,350,000 (109,520,472)	- (-)	- (-)	- (-)	94,350,000 (109,520,472)
5	Loan Received Back from Asit C Mehta Commodity Services Ltd.	(-)	92,200,000 (101,940,000)	- (-)	- (-)	- (-)	92,200,000 (101,940,000)
6	Loan given to Asit C Mehta Comdex DMCC	514,584 (1,606,004)	- (-)	- (-)	- (-)	- (-)	514,584 (1,606,004)
7	Loan Received back from Asit C Mehta Comdex DMCC	552,761 (-)	- (-)	- (-)	- (-)	- (-)	552,761 (-)

(Figures in brackets relate to previous year)



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

Sr.No	Particulars	Subsidiary Fellow Subsidiary	Company over which the Company has significant Influence & Control	Holding Company	Enterprise over which relative of KMP have control	KMP	Total
	<u>Income /Recoveries</u>						
8	Sale of office premises and Electrical Fittings to Asit C Mehta Financial Services Ltd.	- (-)	- (-)	- (79,401,654)	- (-)	- (-)	- (79,401,654)
9	Interest Income from Asit C Mehta Commodity Services Ltd.	- (-)	5,411,890 (1,133,858)	- (-)	- (-)	- (-)	5,411,890 (1,133,858)
10	Interest Income from Nucleus IT Enabled Services Limited.	4,131,863 (11,250)	- (-)	- (-)	- (-)	- (-)	4,131,863 (11,250)
11	Interest Income from Asit C Mehta Financial Services Ltd.	- (-)	- (-)	- (5,250,604)	- (-)	- (-)	- (5,250,604)
12	Reimbursement (recovered) of Data Card, Private Wire Expenses, Lift AMC & Telephone expenses from Asit C Mehta Financial Services Ltd.	- (-)	- (-)	147,068 (1,302,029)	- (-)	- (-)	147,068 (1,302,029)
13	Reimbursement (recovered) of Internet Charges & Printing & Stationery expenses by Nucleus It Enabled Services Ltd.	15,521 (48,384)	- (-)	- (-)	- (-)	- (-)	15,521 (48,384)
	<u>Expenditure</u>						
14	Leave and License Fees paid to Asit C. Mehta Financial Services Limited	- (-)	- (-)	16,560,000 (10,324,505)	- (-)	- (-)	16,560,000 (10,324,505)
15	Leave and License Fees paid to Deena Mehta	- (-)	- (-)	- (-)	- (-)	1,440,000 (1,440,000)	1,440,000 (1,440,000)
16	Leave and License Fees paid to Asit Mehta	- (-)	- (-)	- (-)	- (-)	720,000 (720,000)	720,000 (720,000)
17	Professional Fees paid to Fellow Subsidiary	1,809,849 (857,000)	- (-)	- (-)	- (-)	- (-)	1,809,849 (857,000)
18	Remuneration (Including Contribution to PF)	- (-)	- (-)	- (-)	- (-)	6,316,413 (4,089,777)	6,316,413 (4,089,777)
19	Reimbursement of Electricity, Tel, Stamp Duty & Other Exps paid to Asit C Mehta Financial Services Limited	- (-)	- (-)	506,338 (366,101)	- (-)	- (-)	506,338 (366,101)
20	Marketing Expenses paid to Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	1,521,584.00 (1,660,509)	- (-)	1,521,584 (1,660,509)
21	Interest on Debentures to Asit C. Mehta & Deena Asit Mehta	- (-)	- (-)	- (-)	- (-)	2,520,000 (2,526,904)	2,520,000 (2,526,904)

(Figures in brackets relate to previous year)



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

e. Amounts outstanding:

Sr. No	Particulars	Subsidiary Fellow Subsidiary	/ Company over which the Company has significant Influence & Control	Holding Company	Enterprise over which relative of KMP have control	KMP	Total
1	Investments	7,514,370 (7,514,370)	24,200,000 (24,200,000)	- (-)	- (-)	- (-)	31,714,370 (31,714,370)
2	Deposits for Premises	- (-)	- (-)	26,251,740 (26,251,740)	- (-)	43,000,000 (43,000,000)	69,251,740 (69,251,740)
3	Amounts Payable to Asit C Mehta Financial Services Limited	- (-)	- (-)	52,600 (227,746)	- (-)	- (-)	52,600 (227,746)
4	Amounts Receivable from Nucleus IT Enabled Services Limited	53,000,000 (63,584)	- (-)	- (-)	- (-)	- (-)	53,000,000 (63,584)
5	Amount Receivable from Asit C Mehta Financial Services Limited	- (-)	- (-)	- (75,789,114)	- (-)	- (-)	- (75,789,114)
6	Amount Receivable from Asit C. Mehta Commodity Services Ltd.	- (-)	9,730,472 (7,580,472)	- (-)	- (-)	- (-)	9,730,472 (7,580,472)
7	Receivable on Loan account	2,853,773 (2,981,210)	- (-)	- (-)	- (-)	- (-)	2,853,773 (2,981,210)

(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 for securing various credit facilities sanctioned to the Company



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

29	Expenditure in Foreign Currency	As at 31/03/2017	As at 31/03/2016
	Travelling Expenses	90,170	87,731

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.5,526,182/- (Previous year Rs.3,521,197/-) in its books.

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

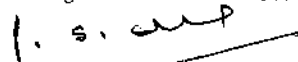
Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	612,500	213,338	825,838
(+) Permitted receipts	-	357,893	357,893
(-) Permitted payments	-	319,333	319,333
(-) Amount deposited in Banks	612,500	50	612,550
Closing cash in hand as on 30.12.2016	-	251,848	251,848

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

32 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

PLACE : MUMBAI
DATED : 18th May 2017



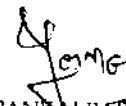
FOR AND ON BEHALF OF BOARD OF DIRECTORS



(DEENA A. MEHTA)
Managing Director



(KIRIT H. VORA)
Whole Time Director



(PANKAJ PARMAR)
Chief Financial Officer



(MEHA SIKARWAR)
Company Secretary

PLACE : MUMBAI
DATED : 18th May 2017

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

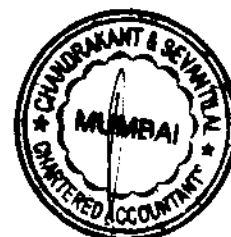
TO THE MEMBERS OF ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED

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 **31st March, 2017**, 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. 74,78,316/- 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, including losses incurred 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. 3,30,62,976/- as against the reported net loss of Rs. 2,55,84,660/- 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. In respect of this matter, our audit report on consolidated financial statements for the year ended 31st March, 2016 was similarly qualified.

- (2) In respect of the Group's Trade Receivables of Rs. 1,54,00,802/- and Amounts due from Constituents to the extent of Rs. 1,06,03,623/-, reflected in and classified as Non-Current Assets in the Consolidated Balance Sheet, we were unable to obtain sufficient audit evidence about their carrying amounts as well as their realisability. Also, they have remained unrealized since last six years or thereabout. In the absence of sufficient 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. 5,15,89,085/- as against the reported net loss of Rs. 2,55,84,660/-. 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. In respect of this matter, our audit report



CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

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on consolidated financial statements for the year ended 31st March, 2016 was similarly qualified.

The combined possible financial effects of the above item (1) and (2) are as follows:

- the Consolidated Statement of Profit & Loss would have reflected net loss of Rs. 5,90,67,401/-, against the net loss presently reported at Rs. 2,55,84,660/-; and consequently, the balance of Reserves and Surplus would have been in negative at Rs. 8,92,52,238/-, against the said balance presently being reported at Rs. (5,57,69,497/-); and
- the Non-Current Assets and Other Current Assets would have been lower by an aggregate amount of Rs. 3,34,82,741/-.

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 **31st March, 2017**, and its consolidated loss and its consolidated cash flows for the year ended on that date.



Other Matters

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 **31st December, 2016** 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 **1st April, 2016 to 31st March, 2017**, 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. 75,20485/- as at **31st March, 2017** and total revenues is Rs. Nil and the management has not prepared and presented its cash flows statement. These have been considered 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.



Our opinion is not qualified in respect of this matter.

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 subject to non-preparation of the Cash Flow Statement by the subsidiary and consequently non-consolidation thereof, 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 and non-preparation of Cash Flow Statement by the subsidiary and consequently non-consolidation thereof, 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;

- (e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 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, 2017 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



CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

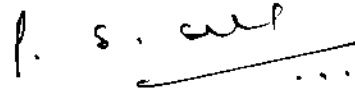
Pradeep S. Shah
Kiran C. Shah

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- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company; and
- (iv) the Holding Company has provided requisite disclosures in Note 31 to the consolidated financial statements as to its holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Holding Company. This disclosure requirements are not applicable to the subsidiary which is incorporated outside India.

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



(PRADEEP S. SHAH) Partner
Membership No. 030632

Mumbai:
Dated: 18th May, 2017



**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 **31st March, 2017** 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 weakness has been identified as at 31st March, 2017:

- 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.

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 weakness described above on the achievement of the objectives of the control criteria, considering nature of activities, size of operation and organization structure of the Holding Company and exercise of controls through personal supervision by the Holding Company's management, 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 **31st March, 2017**, based on the internal control



CHANDRAKANT & SEVANTILAL

CHARTERED ACCOUNTANTS

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Kiran C. Shah

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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 weakness 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 **31st March, 2017**, and this material weakness does not affect our opinion on the consolidated financial statements of the Group, except to the extent stated therein.

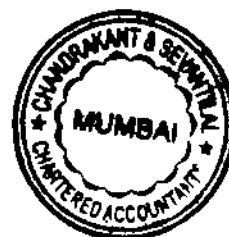
For CHANDRAKANT & SEVANTILAL
Chartered Accountants
Firm Registration No. 101675W



(PRADEEP S. SHAH) Partner
Membership No. 030632

Mumbai:

Dated: 18th May, 2017



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**CONSOLIDATED FINANCIAL
STATEMENT (ACMIIL – DMCC)**

FINANCIAL STATEMENT 2016-17

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	As at 31/03/2017	As at 31/03/2016
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	191,111,110	191,111,110
(b) Reserves and Surplus	3	(55,769,497)	(30,184,837)
		135,341,613	160,926,273
2 Non-Current Liabilities			
(a) Long-term borrowings	4	19,587,954	68,000,000
(b) Other Long-term Liabilities	5	34,936,418	35,833,881
		54,524,372	103,833,881
3 Current Liabilities			
(a) Short-term borrowings	6	150,973,669	184,622,042
(b) Trade Payables	7	18,245,126	14,555,104
(c) Other current liabilities	8	459,561,884	258,969,539
(d) Short-term provisions	9	490,124	259,457
		629,270,803	458,406,142
TOTAL		819,136,788	723,166,296
II. ASSETS			
1 Non-Current Assets			
(a) Fixed assets	10		
(i) Tangible assets		24,305,802	25,382,721
(ii) Intangible assets		8,467,648	10,607,916
		32,773,450	35,990,637
(b) Non-current investments	11	24,509,218	24,509,218
(c) Deferred tax assets (net)	12	7,337,104	13,499,149
(d) Long-term loans and advances	13	100,214,531	109,648,014
(e) Other non-current assets	14	38,537,143	51,652,660
		170,597,996	199,309,041
2 Current Assets			
(a) Trade Receivables	15	6,708,520	7,626,029
(b) Cash and Bank Balances	16	285,559,819	242,443,009
(c) Short-term loans and advances	17	191,786,870	89,139,448
(d) Other current assets	18	131,710,134	148,658,133
		615,765,342	487,866,619
TOTAL		819,136,788	723,166,296

Significant Accounting Policies and Notes to Accounts
AS PER OUR REPORT OF EVEN DATE
For CHANDRAKANT & SEVANTILAL
Chartered Accountants
Firm Registration No. 101675W

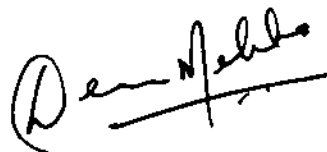
1 to 33

(PRADEEP S. SHAH)

Partner

Membership No : 030632

FOR AND ON BEHALF OF BOARD OF DIRECTORS



(DEENA A. MEHTA)
Managing Director



(KIRIT H. VORA)
Whole Time Director



(PANKAJ PARMAR)
Chief Financial Officer



(MEHUL SIKARWAR)
Company Secretary

PLACE : MUMBAI

DATED : 18th May 2017



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

₹

Particulars		Note No.	For the year ended 31/03/2017	For the year ended 31/03/2016
I	INCOME			
1	Revenue from operations	19	294,465,762	229,729,379
2	Other income	20	26,695,387	83,902,289
	Total Revenue		321,161,148	313,631,668
II	EXPENDITURE			
1	Employee benefits expense	21	84,125,869	80,368,647
2	Finance costs	22	33,563,672	33,192,861
3	Depreciation and amortization expense		8,031,458	10,864,453
	Less : Transfer from Revaluation Reserve		-	(819,036)
			8,031,458	10,045,417
4	Other expenses	23	214,825,746	182,103,185
	Total Expenses		340,546,744	305,710,110
III	Profit / (Loss) before Exceptional and Extra Ordinary items and Tax		(19,385,596)	7,921,558
	Add: Exceptional and Extra Ordinary items		-	-
IV	Profit / (Loss) before tax		(19,385,596)	7,921,558
	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax (Net)		(6,162,044)	(3,736,152)
	(3)(Short)/Excess tax of earlier years (Income Tax Refund)		(37,021)	3,499,099
V	Profit / (Loss) after tax for the year		(25,584,660)	7,684,505
VI	Earnings per equity share:			
	(Face value of Rs.10/- Per Share)	24		
	(1) Basic		(2.30)	0.69
	(2) Diluted		(2.04)	0.81

Significant Accounting Policies and Notes to Accounts

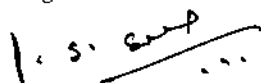
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AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

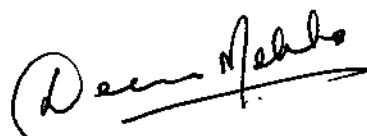
Firm Registration No. 101675W



(PRADEEP S. SHAH)

Partner

Membership No : 030632

FOR AND ON BEHALF OF BOARD OF DIRECTORS


(DEENA A. MEHTA)
Managing Director


(KIRIT H. VORA)
Whole Time Director


(PANKAJ PARMAR)
Chief Financial Officer


(MEHA SIKARWAR)
Company Secretary

PLACE : MUMBAI

DATED : 18th May 2017



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

₹

Particulars	For the year ended 31/03/2017		For the year ended 31/03/2016	
Cash Flow From Operating Activities				
Net profit/(loss) before tax		(19,385,596)		7,921,558
Adjustments for				
Depreciation & Amortisation (Net)	8,031,458		10,045,417	
Interest income	(26,412,803)		(29,979,167)	
Dividend income	(6,621)		(11,249)	
Interest expense	33,563,672		33,192,861	
Loss on Sale of Fixed Assets	53,617		49,995	
Profit on Sale of Office Premises	-		(2,107,524)	
Fixed Assets Written Off	479,029		2,617,443	
Impairment Loss on Assets held for Disposal	5,526,182		3,521,197	
Realised Gain on sale of office premises	-		(47,957,358)	
Goodwill w/off	1,670,604	22,905,138	-	(30,628,385)
Operating profit/(loss) before working capital changes		3,519,542		(22,706,827)
Adjustments for (Increase)/Decrease in operating assets				
(Increase) / Decrease in Trade Receivables	917,509		2,819,576	
(Increase) / Decrease in Long Term loans & Advances	9,433,483		7,733,048	
(Increase) / Decrease in Other Non Current Assets	13,115,517		(2,006,617)	
(Increase) / Decrease in Other Non Current Investment	0		7,514,370	
(Increase) / Decrease in Other Bank FD's	(47,422,332)		(12,129,622)	
(Increase) / Decrease in Short Term Loans & Advances	(102,647,421)		(42,880,860)	
(Increase) / Decrease in Other Current assets	16,948,000	(109,655,244)	3,919,736	(35,030,367)
Adjustments for Increase/(Decrease) in operating liabilities				
Increase / (Decrease) in Long Term liabilities	(897,463)		(2,436,476)	
Increase / (Decrease) in Trade payables	3,690,022		(2,046,549)	
Increase / (Decrease) in Other current liabilities	199,468,553		(22,076,384)	
Increase / (Decrease) in Short term Provisions	230,667		61,305	
		202,491,779		(26,498,104)
Cash generated from operating activities		96,356,077		(84,235,298)
Refund received / (Taxes paid) (Net of Earlier Year Tax Adjustment)		(37,021)		3,499,099
Net cash From Operating Activities (A)		96,319,056		(80,736,199)
Cash Flow From Investing Activities				
Purchase of fixed assets	(7,063,897)		(5,846,965)	
Sale of Fixed Assets	46,400		80,333,829	
Adjustment of Carrying Value in Fixed Assets	(5,526,182)		(3,521,198)	
Interest received	26,412,803		29,979,167	
Dividend received	6,621		11,249	
Net cash generated from investing activities (B)		13,875,745		100,956,083



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
Cash Flow From Financing Activities		
Term Loan Repayment	(50,000,000)	-
Proceeds from Term Loan	2,711,747	-
Repayment on Term Loan	(35,148,374)	35,027,649
Intercompany deposit received / (repaid)	1,500,000	-
Repayment of unsecured Loans	-	(3,000,000)
Interest Paid	(33,563,672)	(33,192,861)
Net cash used in financing activities (C)	(114,500,299)	(1,165,211)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(4,305,498)	19,054,671
Cash and Cash Equivalents - Opening 1st April	40,611,807	21,557,135
Cash and Cash Equivalents - Closing 31st March	36,306,285	40,611,807

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

1 Cash & Cash Equivalents Include :

Cash on Hand	432,403	327,102
Balances with Banks In Current and Cash Credit Accounts	35,873,882	40,284,705
	<u>36,306,285</u>	<u>40,611,807</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.

Significant Accounting Policies and Notes to Accounts

1 to 33


AS PER OUR REPORT OF EVEN DATE

For CHANDRAKANT & SEVANTILAL

Chartered Accountants

Firm Registration No. 101675W

FOR AND ON BEHALF OF BOARD OF DIRECTORS



(PRADEEP S. SHAH)

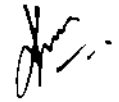
Partner

Membership No : 030632



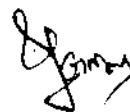
(DEENA A. MEHTA)

Managing Director



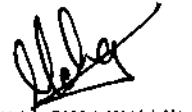
(KIRIT H. VORA)

Whole Time Director



(PANKAJ PARMAR)

Chief Financial Officer



(MEHA SIKARWAR)

Company Secretary

PLACE : MUMBAI

DATED : 18th May, 2017



Note-1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**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 1 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 company trade licence has been expired on 5th December 2014 and the same has not been yet renewed.

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	
		31/03/2017	31/03/2016
Asit C. Mehta Comdex Services DMCC	UAE - Dubai	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 Asit C. Mehta Investment Intermediates Limited 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.

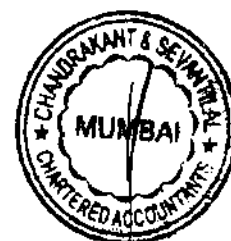
The consolidated financial statements have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Group's Standalone Financial Statements.

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 purpose of consolidation, unaudited financial statement of the subsidiary for the period 1st April 2016 to 31st March 2017 has been prepared and certified by the management and the same has been considered for consolidation. Although the Subsidiary has filed application for its liquidation to the DMCC Authority, no adjustments thereto have been made in the Consolidated Financial Statements. Further, the Standalone Financial Statements of Subsidiary have not been prepared on the Principal of Going Concern.



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.

v Revenue

Revenue represents net amount invoiced for good delivered during the year. Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Other income is accounted on accrual basis.

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.

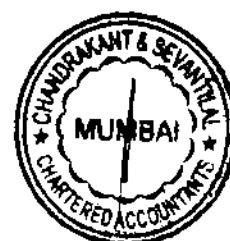
1.4 FIXED ASSETS, INTANGIBLES, VALUATION, DEPRECIATION AND AMORTISATION

- i Fixed assets 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 Expenses on intangibles (software / licenses) are capitalized if the same are likely to provide significant economic benefits over the future period.

iii 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 2014-15, the Company has adopted the useful lives of respective item of fixed assets as determined by the Valuation Advisor and for additions during the year as prescribed in Part C of Schedule II.

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
Furniture and Fixture	12 years	10 years
Computer - End Users	8 years	3 years
Computer - Server, HUB, Router	10 years	6 years
Office Equipment	11 years	5 years
Other Equipments *	14 years	5 years
Electrical Installation	14 years	10 years
Vehicles	10 years	8 years

Justification for adopting longer useful lives

- i) Due to Regular Maintenance through Qualified Technicians onsite.
- ii) Maintenance Contract from Specialist or Original Manufacturer of the product. this ensures quality of services to get longer economic benefit from the product.
- iii) Turn around and quality of the Spares used which serve the purpose without need for changes to higher or newer technologies.

* 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.

- iv 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.

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.

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.

v 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.

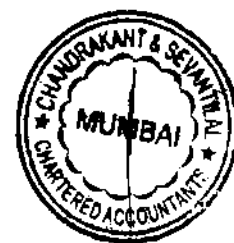
vi REVALUATION

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 company.

iii Provisions

Provisions are recognized when the Company has present obligation as a result of past events, which it is probable, will result in outflow of economic benefits that can be reasonably estimated.

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.

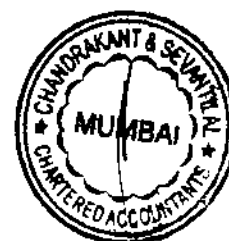
ii Lease payments / receipts under operating lease arrangements are recognized as expenses / revenue on accrual basis in accordance with respective lease agreements or arrangements.

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

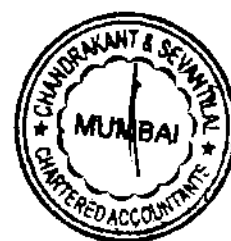
- i A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made of the obligation. Provisions 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 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.



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

Note 2 Share Capital

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2.1

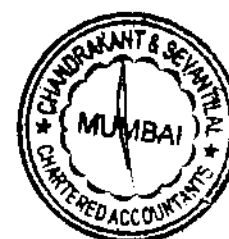
Particulars	As at 31/03/2017	As at 31/03/2016
Authorized:		
11,250,000 [Previous Year 11,250,000] Equity Shares of Rs.10 each	112,500,000	112,500,000
9,000,000 [Previous Year 9,000,000] Preference Shares of Rs.10 each	90,000,000	90,000,000
	202,500,000	202,500,000
Issued, Subscribed and fully Paid up:		
EQUITY SHARE CAPITAL		
11,111,111 [Previous Year 11,111,111] Equity Shares of Rs. 10 each	111,111,110	111,111,110
[Out of above, 5,561,111 nos. of Equity Shares (Previous Year 5,561,111) are held by Asit C Mehta Financial Services Ltd., Ultimate Holding Company]		
PREFERENCE SHARE CAPITAL		
4,500,000 [Previous Year 4,500,000] 9% Cumulative Redeemable Preference Shares of Rs.10 each	45,000,000	45,000,000
[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	15,000,000	15,000,000
[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	20,000,000	20,000,000
[Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]		
	191,111,110	191,111,110

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	11,111,111	4,500,000 (4,500,000)	1,500,000 (1,500,000)	2,000,000 (2,000,000)
Add : Shares Issued, Subscribed and fully Paid up during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Less : Shares Redeemed/Bought back during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Shares outstanding at the end of the year	11,111,111 (11,111,111)	4,500,000 (4,500,000)	1,500,000 (1,500,000)	2,000,000 (2,000,000)

(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 31/03/2017		As at 31/03/2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
a)	Equity Shares				
	Shri Asit C. Mehta	3,191,566	28.72	3,191,566	28.72
	Smt. Deena A. Mehta	1,537,516	13.84	1,537,516	13.84
	Asit C Mehta Financial Services Ltd.	5,561,111	50.05	5,561,111	50.05
	Asit C Mehta Commodity Services Ltd.	572,500	5.15	572,500	5.15
b)	9% Cumulative Redeemable Preference Shares				
	Shri Asit C. Mehta	2,250,000	50.00	2,250,000	50.00
	Smt. Deena A. Mehta	2,250,000	50.00	2,250,000	50.00
c)	4% Cumulative Redeemable Preference Shares				
	Shri Asit C. Mehta	800,000	53.33	800,000	53.33
	Smt. Deena A. Mehta	700,000	46.67	700,000	46.67
d)	4% Cumulative Redeemable Preference Shares				
	Shri Asit C. Mehta	1,000,000	50.00	1,000,000	50.00
	Smt. Deena A. Mehta	1,000,000	50.00	1,000,000	50.00

2.4 Rights of shareholders

- 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.
- 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.
- 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 & Surplus

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3.1

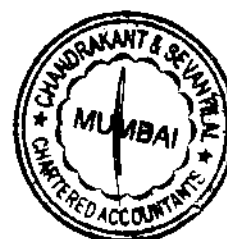
Particulars	As at 31/03/2017	As at 31/03/2016
a. Securities Premium Reserve Account		
As per Last Balance sheet	70,222,220	70,222,220
	70,222,220	70,222,220
b. Revaluation Reserve		
As per Last Balance sheet	-	48,776,394
Less: Realised gain transferred to Statement of Profit & Loss [Refer Note 1.4 (vi)]	-	47,957,358
Less: Transferred to Statement of Profit & Loss [Refer Note 1.4 (iv)]	-	819,036
	-	-
c. General Reserve		
As per Last Balance sheet	17,995,126	17,995,126
	17,995,126	17,995,126
d. Surplus in Statement of Profit & Loss		
As per Last Balance sheet	(118,402,183)	(126,086,688)
Add : Net Profit / (Loss) For the current year	(25,584,660)	7,684,505
	(143,986,843)	(118,402,183)
	(55,769,497)	(30,184,837)

Note 4 Long Term Borrowings

₹

4.1

Particulars	As at 31/03/2017	As at 31/03/2016	As at 31/03/2017	As at 31/03/2016
	Non Current		Current	
Secured				
Term loans				
From Non Banking Financial Company				
Peerless Financial Services Ltd		50,000,000	-	-
[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]				
Diamler Financial Services India Private Limited	1,587,954	-	1,123,793	-
[Secured by hypothecation of Motor Car]				
	1,587,954	50,000,000	1,123,793	-
Unsecured				
14% Compulsory Convertible Debentures				
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.	18,000,000	18,000,000	-	-
	18,000,000	18,000,000	-	-
	19,587,954	68,000,000	1,123,793	-



4.2 Maturity Profile

₹

Particulars	Current Portion	Non Current Portion
	2017-18	2018-19 to 2019-20
Car Loan from Daimler Financial Services India Private Limited (Secured by hypothecation of Motor Cars)	1,123,793	1,587,954
	1,123,793	1,587,954

Note 5 Other Long Term Liabilities

₹

5.1	Particulars	As at 31/03/2017	As at 31/03/2016
	Others		
	Base Capital Deposits	34,936,418	35,833,881
		34,936,418	35,833,881

5.2 BASE CAPITAL DEPOSITS FROM BUSINESS ASSOCIATES

- a The Group, 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 Group).
- 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 Group 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 Group, 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. 34,936,418/- (Previous year Rs. 35,833,881/-), which includes the value of securities received in the form of shares and securities of Rs. 5,195,493/- (Previous Year - Rs. 45,19,420/-).
- 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 31/03/2017	As at 31/03/2016
	Secured		
	From State Bank of India overdraft facility [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]	149,473,669	149,557,850
	From Bank of India overdraft facility [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 Group (ii) personal guarantee of the Managing Director, one of the whole time directors, Ultimate Holding Company and Asit C Mehta Commodity Services Limited]	-	35,064,192
		149,473,669	184,622,042
	Unsecured		
	Inter Corporate Deposit	1,500,000	-
		1,500,000	-
		150,973,669	184,622,042

- 6.2 i) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is Base Rate + 4.50% p.a. (Presently Rate 13.55% p.a.) (Previous Year 13.80% 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 12.75% p.a.) (Previous Year 13.75% p.a.)
- iii) On Inter Corporate Deposit Interest is paid between the range of 11.50% to 15% p.a. (Previous Year @12% to 15% p.a.)

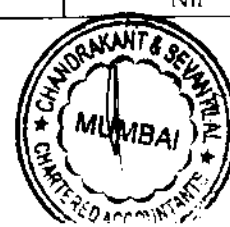
Note 7 Trade Payables

₹

7.1	Particulars	As at 31/03/2017	As at 31/03/2016
	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	18,245,126	14,555,104
		18,245,126	14,555,104

- 7.2 Disclosure relating to the requirements prescribed in Item 6(EA) below the General Instructions for preparation of Balance Sheet, Part I of Schedule III to the Companies Act, 2013, relating to the details of Micro, Small and Medium Enterprises:

Amounts payable to Micro and Small Enterprises	As at 31/03/2017	As at 31/03/2016
(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 31/03/2017	As at 31/03/2016
	Current maturities of long-term borrowings(Refer Note 4.1)	1,123,793	-
	Amounts Due to Constituents	385,696,084	225,178,384
	Statutory Dues	4,365,084	5,637,996
	Shares Received as margin from Constituents (Refer note 8.2)	66,481,005	22,741,904
	Security Deposit against Rental of Premises	-	4,360,500
	Other Liabilities	1,895,918	1,050,754
		459,561,884	258,969,539

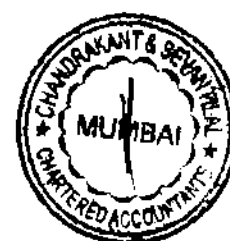
8.2 MARGIN FROM CONSTITUENTS

- a The Group, in the course of its business and as per the terms and conditions with Clients, has received initial margin in the form of shares and securities (which are transferred to and held in the name of the Group).
- 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 Group has an absolute right to appropriate and realize against the unpaid dues from the Clients and the balance, if any, is refunded in the form of cheques or its equivalent and/or shares with the Group, 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 31/03/2017	As at 31/03/2016
	Provision for employee benefits		
	Employee Salaries	5,722	16,972
	Leave Encashment (Refer note 21.2)	244,848	152,017
	Gratuity (Refer note 21.2)	239,554	90,468
		490,124	259,457



Notes forming part of the Consolidated Financial Statements

	Description	Gross Block				Depreciation/Amortization				Net Block	
		Balance as at 1/4/2016	Additions	Disposals/ Sales/discarded	Balance as at 31/03/2017	Balance as at 1/4/2016	For the Year	On disposals/ Sales/discarded	Balance as at 31/03/2017	Balance as at 31/03/2017	Balance as at 31/03/2016
a)	Tangible Assets-Owned										
	Office and Other Equipments	28,115,443	657,260	5,672,304	23,100,399	17,455,887	2,680,928	5,124,218	15,012,597	8,087,802	10,659,556
	Electric Installation	2,156,450	-	-	2,156,450	1,221,510	205,997	-	1,427,507	728,943	934,940
	Furniture and Fixtures	27,121,573	-	41,046	27,080,527	16,674,304	2,601,856	26,015	19,250,145	7,830,382	10,447,269
	Computers	12,846,393	2,055,497	170,420	14,731,470	9,928,467	988,713	154,514	10,762,666	3,968,804	2,917,926
	Vehicles	989,684	3,540,913	-	4,530,597	566,654	274,072	-	840,726	3,689,871	423,030
		71,229,543	6,253,670	5,883,770	71,599,443	45,846,822	6,751,566	5,304,747	47,293,641	24,305,802	25,382,721
b)	Intangible Assets-Owned										
	Computer software	24,587,401	786,000	-	25,373,401	15,625,862	1,279,891	-	16,905,753	8,467,648	8,961,539
	GoodWill on Consolidation	1,646,377	24,227	-	1,670,604	-	-	1,670,604	-	-	1,646,377
		26,233,778	810,227	-	27,044,005	15,625,862	1,279,891	-	16,905,753	8,467,648	10,607,916
	Current Year	97,463,321	7,063,897	5,883,770	98,643,448	61,472,684	8,031,457	5,304,747	64,199,394	32,773,450	35,990,637
	Previous Year	196,716,050	4,200,588	105,249,425	97,463,321	74,814,182	10,864,453	24,355,682	61,472,684	35,990,637	34,344,260



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 31/03/2017	As at 31/03/2016
		Investment in Equity Instruments		
		Shares of Rs. 10/- each Fully Paid Up unless otherwise Stated		
		Quoted- At Cost		
	1	7000 Omnitex Industries (India) Limited (7000)	30,543	30,543
		694 BSE Limited [Share of Re 1 each] (-)	260,250	-
			290,793	30,543
		Unquoted -At Cost		
		In Equity shares of others (fully paid up)		
	2	200000 Asit C. Mehta Commodity Services Ltd. (200000)	24,200,000	24,200,000
	3	- BSE Limited [Share of Re 1 each] (694)	-	260,250
	4	2750 Vippy Industries Limited (Face Value Re 1/- per share) (2750)	18,425	18,425
			24,509,218	24,509,218

(Figures in brackets relate to previous year)

- 11.2 In view of long term and strategic holdings, Investments in Asit C. Mehta Commodity Services Ltd. is carried at cost and diminution with reference to its value, if any, is not recognized.

11.3	Particulars	As at 31/03/2017	As at 31/03/2016
	Investment in Equity Instruments	24,509,218	24,509,218
	Less : Provision for diminution in the value of Investments	-	-
		24,509,218	24,509,218

11.4	Particulars	As at 31/03/2017	As at 31/03/2016
	Aggregate amount of quoted investments (Market value Rs.7,89,439/- (Previous Year Rs.91,000/-)	290,793	30,543
	Aggregate amount of unquoted investments	24,218,425	24,478,675



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.6,162,044/- [Previous year Reversal of Deferred Tax Assets (Net of Liabilities) Rs 3,736,152/-] has been debited to the Statement of Profit and Loss. Major components are as under:

Particulars	As at 31/03/2017	As at 31/03/2016
Deferred Tax Liabilities:		
Depreciation	(665,238)	(1,097,729)
Total	(665,238)	(1,097,729)
Less:-		
Deferred Tax Assets:		
Business loss	7,478,316	13,725,069
Expenses allowable on payment basis	524,026	871,809
Total	8,002,342	14,596,878
Net Deferred Tax Assets / (Tax Liabilities)	7,337,104	13,499,149

- 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.6,246,752/- (Previous Year 4,582,277/-) has been reversed.

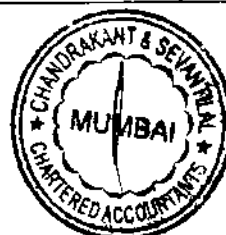
Note 13 Long Term Loans and Advances

13.1

Particulars	As at 31/03/2017	As at 31/03/2016
Unsecured, considered good		
a) Capital Advances	-	5,787,500
b) Security Deposits		
<u>Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations</u>		
The National Securities Clearing Corporation Limited	16,900,000	16,900,000
BSE Ltd.	125,000	125,000
Central Depository Services (India) Ltd	750,000	750,000
Metropolitan Stock Exchange of India Ltd.	1,000,000	1,000,000
	18,775,000	18,775,000
Deposits for Premises and Other Deposits	70,282,191	70,182,191
c) Shares Received As Margin From [See Note 5.2 (e)]		
Business Associates	5,195,493	4,519,420
d) Other Advances		
Prepaid Expenses	788,519	969,272
Advance Income Tax	5,173,328	9,414,630
	100,214,531	109,648,014

13.2

Loans and Advances include Security Deposits for premises on Leave and Licence	As at 31/03/2017		As at 31/03/2016	
	Balance Due	Max. Balance	Balance Due	Max. Balance
i) to Managing Director	25,500,000	25,500,000	25,500,000	25,500,000
ii) to Whole time Director	17,500,000	17,500,000	17,500,000	17,500,000
iii) to Ultimate Holding Company	26,251,740	26,251,740	26,251,740	26,251,740



Note 14 Other Non Current Assets

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14.1

Particulars	As at 31/03/2017	As at 31/03/2016
Long Term Trade Receivable		
Outstanding for a period exceeding six months from the date they were due for payment (Refer Note -14.2) (Subject to Confirmation)		
Unsecured, considered good	15,400,802	19,119,694
	15,400,802	19,119,694
Amounts Due from Business Associates		
Secured against Base capital Deposits	1,413,627	770,376
Unsecured, considered good	3,078,493	3,115,315
Doubtful (See Note 14.3)	117,516	158,878
	4,609,636	4,044,569
Amounts Due from Constituents		
Secured against Shares	953,175	5,087,528
Unsecured, considered good	17,573,530	23,400,869
	18,526,705	28,488,397
	38,537,143	51,652,660

14.2 Long term Trade receivables as above includes amounts receivable from constituents in respect of depository services rendered to them. Some constituents remained inactive and did not participate in markets during the last few years. The Group continues to service the accounts as stipulated by the regulatory norms. In view of the continuing relationship and various ongoing efforts that yield results in recovering the dues, it has classified them as good and hence no provision is considered necessary.

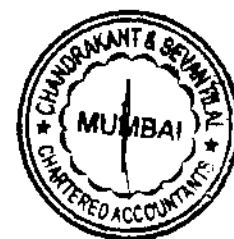
14.3 As per the terms and conditions of the Agreements executed by the Group with Business Associates, the Group has an absolute right to recover all the dues from them. However, as a good business practice, the Group has adopted cordial and amicable means for recoveries of dues in most practical and 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 31/03/2017	As at 31/03/2016
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment	4,291,768	5,852,672
Other Debts	2,416,752	1,773,357
	6,708,520	7,626,029



Note 16 Cash and Bank Balances

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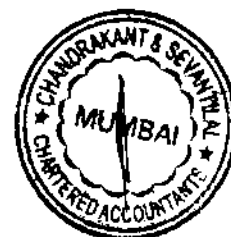
16.1	Particulars	As at 31/03/2017	As at 31/03/2016
	a) Cash and cash equivalents		
	Balances in Current Accounts	35,873,882	40,284,705
	Cash on hand	432,403	327,102
		36,306,285	40,611,807
	b) Other Bank balances		
	Fixed Deposits with Banks having Maturity of more than three months but within twelve months (See Note 16.2)[including Interest accrued but not due of Rs.3,746,036/- (previous year Rs.2,989,725/-)]	123,746,037	45,089,726
	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.132,497/- (previous year Rs.6,846,475/-)]	125,507,497	156,741,476
		285,559,819	242,443,009

16.2 Fixed Deposits with Banks include Rs.61,500,000/- (Previous Year Rs.61,500,000/-) pledged against guarantees given by banks.

16.3 Fixed Deposits with Bank of India include Rs.60,000,000/- (Previous Year Rs.60,000,000/-) 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.62,500,000/- (Previous Year Rs.62,500,000/-) 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.



47 Short Term Loans & Advances

17.1

Particulars	As at 31/03/2017	As at 31/03/2016
Capital Advances (Unsecured, Considered good)	5,787,500	-
Others		
Unsecured, considered good		
Security Deposits for Premises	-	54,155
Security Deposits for Visa	52,960	-
Loans To Staff	419,943	391,500
Loan to Asit C. Mehta Commodity Services Ltd.* (Including interest accrued Rs.Nil; P.Y. Rs.1,020,472)	9,730,472	7,580,472
Loan to fellow subsidiary - Nucleus IT Enabled Services Limited (Maximum balance outstanding Rs.53,000,000; P.Y. NIL)	53,000,000	-
Cenvat Credit Receivable	961,801	592,706
Service Tax Refund Receivable	544,685	553,339
Prepaid Expenses	4,341,048	3,378,986
Deposit with Clearing bouse	5,717,234	4,317,234
Deposit with Stock Exchange	10,000	10,000
Deposit with DGCX	6,624,937	6,624,937
Balances with Stock Exchanges	36,279,764	41,170,076
Shares Received As Margin From [See Note 8.2]		
Constituents	66,481,005	22,741,904
Advances recoverable in cash or in kind or for value to be received (Includes receivable from Holding Company Rs.Nil; Previous Year Rs.378,195/-)	1,835,521	1,724,139
	191,786,870	89,139,448

* Wholly Owned Subsidiary till 30-03-2015. Total loans given were Rs.92,200,000/- (Previous Year Rs. 109,520,472/-) and received back Rs.92,200,000/- (Previous Year Rs.101,940,000/-). 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 Rs.203,000,000/- (Previous Year Rs.3,100,000 and received back Rs. 150,000,000/- (Previous Year Rs.3,100,000/-). The loans were for business purpose and have been utilised for the same.

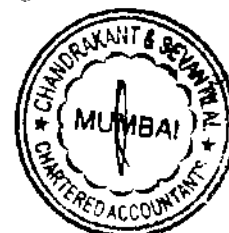
Note 18 Other Current Assets

18.1

Particulars	As at 31/03/2017	As at 31/03/2016
Amounts Due from Business Associates		
Secured against Base capital Deposits, considered good	-	18,205
Unsecured, considered good	41,986	10,173
Doubtful	-	-
	41,986	28,378
Amounts Due from Constituents		
Secured against Shares , considered good	121,731,492	57,476,565
Unsecured, considered good	9,857,329	10,172,784
	131,588,821	67,649,349
Fixed Assets held for Disposal (At Net Realisable Value)	-	5,526,182
Receivable for Sale of Office Premises from Ultimate Holding Company	-	75,410,919
Interest Accrued But Not Due on Other Deposits	79,327	43,305
	131,710,134	148,658,133

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.



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

Note 19 Revenue from Operations

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19.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Sale of services		
	Brokerage from Stock Exchange Operations	228,618,597	191,119,900
	Brokerage from Money Market Operations	915,462	543,604
	Brokerage income from Mutual Fund / Bond	10,760,523	7,954,596
	Demat Income	28,604,620	21,092,167
	Arranger Fees for Fund Mobilization	1,538,386	1,845,087
	Corporate Advisory Services / Merchant Banking	9,529,744	1,409,129
	b) Other Operating Revenue		
	Profit / (Loss) on Security Transactions	2,256,966	(4,149,351)
	Miscellaneous Receipts	12,241,463	9,914,247
		294,465,762	229,729,379

19.2 Miscellaneous Receipts include Rs.9,332,489/- (Rs.6,851,163/-) being Income from Late Payment

Note 20 Other Income

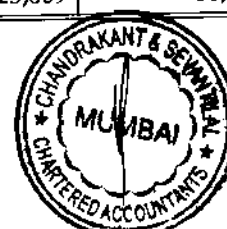
₹

20.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Interest Income		
	Interest on Fixed Deposits with banks	15,977,920	15,374,110
	Interest from Ultimate Holding Company on delayed payment of Sale Consideration	-	5,250,604
	Interest on Loan	9,543,753	1,145,108
	Interest on Security Deposit with clearing Corporation	190,476	155,661
	Interest on Income - tax Refund	700,654	8,064,935
	b) Dividend income	6,621	11,249
	c) Profit on Sale of Office premises	-	2,107,524
	d) Realised Gain on Sale of Office premises [See Note 1.3 (vi)]	-	47,957,358
	e) Leave and License Fees Received	-	3,591,000
	f) Other income		
	Miscellaneous Income	275,963	244,740
		26,695,387	83,902,289

Note 21 Employee Benefits Expense

₹

21.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	Salaries, Allowances and Bonus	73,513,067	72,109,664
	Directors' Remuneration	4,612,000	2,412,000
	Contribution to Provident Fund and Other Funds	2,756,541	2,745,209
	Contribution and Payments for Gratuity	1,380,904	1,289,282
	Staff Welfare Expenses	1,863,357	1,812,492
		84,125,869	80,368,647



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

i) Defined contribution plan:

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

	2016-2017	2015-2016
Employer's contribution to Provident fund and Pension Fund (including of Whole time Directors)	2,918,541	2,907,209

ii) 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	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Benefit Obligation at the beginning of the year	6,920,032	152,017	6,283,353	136,027
Error in disclosure of obligation of earlier year	-	-	393,702	-
Current Service Cost	1,219,071	188,267	1,214,555	152,017
Interest Cost @ 8% (P.Y. 8.35%)	539,588	(18,068)	462,313	(1,315)
Actuarial (gain) / loss	315,676	678,358	66,032	171,069
Benefit Paid	(350,370)	(755,726)	(1,499,923)	(305,781)
Total Defined Benefit Obligation at the year end	8,643,997	244,848	6,920,032	152,017

b) Table showing Changes in Fair value of Planned assets

₹

Particulars	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of planned assets at the beginning of the year	6,829,564	Not Applicable	6,421,744	Not Applicable
Error in disclosure of fair value of planned asset of earlier year	-	-	212,125	-
Expected return on planned assets	605,800	-	541,600	-
Contribution	1,201,305	-	1,205,370	-
Actuarial (gain) / loss	118,144	-	(51,352)	-
Benefits paid	(350,370)	(755,726)	(1,499,923)	(305,781)
Fair value of planned assets at the year end	8,404,443	-	6,829,564	-

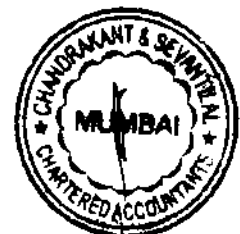
c) Expenses recognized during the year

₹

Particulars	2016-2017		2015-2016	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	1,219,071	188,267	1,214,555	152,017
Expected Return on Plan Assets	(605,800)	-	(541,600)	-
Actuarial (gain) / loss	(197,532)	678,358	117,384	171,069
Interest Cost @ 8% (P.Y. 8.35%)	539,588	(18,068)	462,313	(1,315)
Total	955,327	848,557	1,252,652	321,771

d) Actuarial Assumptions

Particulars	2016-2017		2015-2016	
	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)	A.I.M (2006-08) Ult. (Ultimate)	I.A.L.M (2006-08) Ult. (Ultimate)
Withdrawal Rate	1%	1%	1%	1%
Discount Rate/Interest Rate	7.41%	7.44%	8.00%	8.00%
Salary Escalation	6.5%	6.5%	5%	5%
Retirement Age	58 Years	58 Years	58 Years	58 Years



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

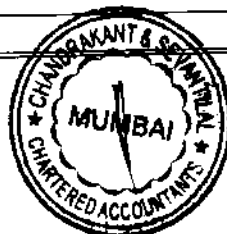
Notes forming part of the Consolidated Financial Statements

Note 22 Finance Cost

22.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	a) Interest Expense		
	On Term Loan from NBFC	6,357,707	7,019,179
	On Cash Credit Accounts	21,344,054	20,245,658
	On Car Loan	106,687	-
	On Inter corporate Deposits	881,111	884,541
	On Unsecured Debentures	2,520,000	2,526,904
	Miscellaneous Interest	71,056	34,304
	b) Other Borrowing Cost		
	Bank Guarantee Commission	1,678,568	1,698,804
	Processing Fees for Loan	604,489	783,471
		33,563,672	33,192,861

Note 23 Other Expenses

23.1	Particulars	For the year ended 31/03/2017	For the year ended 31/03/2016
	Business Associates Expenses	124,903,405	96,263,885
	Service Charges Demat	3,323,043	3,848,804
	Leave and License Fees for Premises	19,363,920	13,220,413
	Office Maintenance	1,652,891	1,933,341
	Marketing Expenses	7,029,380	6,805,306
	Membership & Subscription	3,351,313	3,901,297
	Travelling and Conveyance Expenses	1,930,161	1,819,227
	<u>Repairs and Maintenance</u>		
	To Equipments	7,801,549	6,641,233
	To Others	1,639,281	3,418,784
	Electricity Charges	3,125,111	3,834,800
	Communication, Connectivity & Telephone Expenses (Net)	3,621,736	3,611,495
	Postage and Courier Expenses	1,856,930	2,198,056
	Printing and Stationery (Net)	1,843,233	1,938,742
	Legal and Professional Fees	10,207,167	8,901,073
	Fixed Assets Written Off	479,029	2,617,443
	Loss On Sale Of Assets	53,617	49,995
	Impairment Loss On Assets held for Disposal	5,526,182	3,521,197
	Insurance	162,374	118,845
	<u>Auditors' Remuneration (Net of Service Tax) :</u>		
	- Audit and Tax Audit Fees	1,141,481	825,000
	- Taxation Matter	125,000	125,000
	- Other Services	248,145	52,924
	Miscellaneous Expenses	6,067,156	4,023,560
	Securities Transaction Tax	1,618,476	160,729
	Rates & Taxes	136,457	522,424
	Service Tax & Swachh Bharat Cess	595,795	360,927
	Stamp Duty	1,120,829	4,905,100
	Goodwill on Consolidation w/off	1,670,604	-
	Amounts written off	4,097,231	6,026,013
	Prior Period Expenses	134,250	457,571
		214,825,746	182,103,185



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

23.2 Operating Lease:

During the year, the Group 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.19,363,920/- [Previous year Rs. 13,133,988/-] 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 31/03/2017	As at 31/03/2016
not more than one year	19,008,000	18,035,300
later than one year and not more than five years	59,259,000	11,100,000
later than five years	-	-

Note 24 Basic and Diluted Earning per Share:

₹

24.1

Particulars	As at 31/03/2017	As at 31/03/2016
Basic Earning per Share:		
Net Profit / (loss) after Tax	(25,584,660)	7,684,505
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	(25,584,660)	7,684,505
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	11,111,111	11,111,111
Basic Earning per Share	(2.30)	0.69
Diluted Earning per Share:		
Net Profit / (loss) after Tax	(25,584,660)	7,684,505
Add: Debenture Interest (Net of Tax)	1,741,320	1,746,091
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	(23,843,340)	9,430,596
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	11,111,111	11,111,111
Add: Potential number of Equity Shares that could arise on :		
(i) Conversion of 14% Unsecured Compulsory Convertible Debentures	600,000	600,000
Weighted Average number of Equity Shares	11,711,111	11,711,111
Diluted Earning Per Share	(2.04)	0.81



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Consolidated Financial Statements

Note 25 Contingent Liabilities & Commitments

25.1 Contingent Liabilities

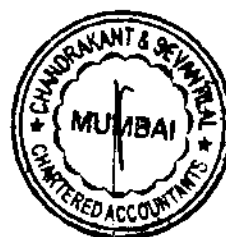
Particulars	As at 31/03/2017	As at 31/03/2016
a) Claims against the Group not acknowledged as debt		
i) Disputed Claims, not provided for.	740,112	783,708
ii) Group's claims not accepted and matters under litigation	-	893,568
b) Others for which the Group is contingently liable		
Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested at appellate authorities	-	-
c) Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances)	-	17,217,500
	740,112	18,894,776

25.2 Details of Arrears of Dividend on Preference Shares

a) On 9% Cumulative Redeemable Preference Shares	20,250,000	16,200,000
b) On 4% Cumulative Redeemable Preference Shares, Redeemable with Premium of 5% per year or part of year	1,808,219	1,208,219
c) On 4% Cumulative Redeemable Preference Shares	1,814,795	1,014,795

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

Particulars	Balance as at 01/04/2016	Additions during the year	Amounts paid during the year	Amounts reversed during the year	Balance as at 31/03/2017
Provision for Leave Salary (Refer Note 21.2)	152,017	244,848	152,017	-	244,848
(Previous Year)	(136,027)	(152,017)	(136,027)	(-)	(152,017)
Provision for Diminution in Value of Investments	(-)	(-)	(-)	(-)	(-)
(Previous Year)	(-)	(-)	(-)	(-)	(-)



27 SEGMENT REPORTING

The 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)**

1. Mrs. Deena A. Mehta	Managing Director	3. Mr. Kirit H. Vora	Wholetime Director
2. Mr. Asit C. Mehta	Wholetime Director	4. Mr. Pankaj Parmar	Chief Financial Officer

b. Relatives of Key Management Personnel

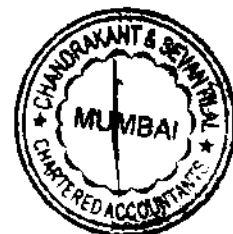
Mr. Aditya Asit Mehta Son of Asit C. Mehta

c. Other Related Parties

Name	Nature of Relationship
Asit C. Mehta Commodity Services Ltd.	Company over which the Holding Company has significant influence and control.
Asit C. Mehta Forex Pvt. Ltd.	Enterprise over which KMP (i.e. executive directors) 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) have control (No transactions during the year)
Edgital Digital Marketing Private Limited	Enterprise over which relative of KMP(i.e. executive directors) have 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	Fellow Subsidiary	Company over which the Company has significant Influence & Control	Ultimate Holding Company	Enterprise over which relative of KMP have control	KMP	Total
	Assets						
1	Deposit for Office Premises	(-)	(-)	(-)	(-)	(500,000)	(500,000)
2	Loan Given to Nucleus IT Enabled Services Limited	203,000,000 (-)	- (-)	- (-)	- (-)	- (-)	203,000,000 -
3	Loan Received back from Nucleus IT Enabled Services Limited	150,000,000 (3,100,000)	- (-)	- (-)	- (-)	- (-)	150,000,000 (3,100,000)
4	Loan Given to Asit C Mehta Commodity Services Ltd.	(-)	94,350,000 (109,520,472)	- (-)	- (-)	- (-)	94,350,000 (109,520,472)
5	Loan Received Back from Asit C Mehta Commodity Services Ltd.	(-)	92,200,000 (101,940,000)	- (-)	- (-)	- (-)	92,200,000 (101,940,000)

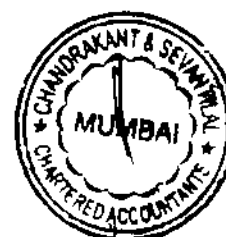


ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes forming part of the Group's Consolidated Financial Statements

Sr.No	Particulars	Fellow Subsidiary	Company over which the Company has significant Influence & Control	Ultimate Holding Company	Enterprise over which relative of KMP have control	KMP	Total
	<u>Income /Recoveries</u>						
6	Sale of office premises and Electrical Fittings to Asit C Mehta Financial Services Ltd.	- (-)	- (-)	- (79,401,654)	- (-)	- (-)	- (79,401,654)
7	Interest Income from Asit C Mehta Commodity Services Ltd.	- (-)	5,411,890 (1,133,858)	- (-)	- (-)	- (-)	5,411,890 (1,133,858)
8	Interest Income from Nucleus IT Enabled Services Limited.	4,131,863 (11,250)	- (-)	- (-)	- (-)	- (-)	4,131,863 (11,250)
9	Interest Income from Asit C Mehta Financial Services Ltd.	- (-)	- (-)	- (5,250,604)	- (-)	- (-)	- (5,250,604)
10	Reimbursement (recovered) of Data Card, Private Wire Expenses, Lift AMC & Telephone expenses from Asit C Mehta Financial Services Ltd.	- (-)	- (-)	145,510 (1,302,029)	- (-)	- (-)	145,510 (1,302,029)
11	Reimbursement (recovered) of Internet Charges & Printing & Stationery expenses by Nucleus IT Enabled Services Ltd.	15,168 (48,384)	- (-)	- (-)	- (-)	- (-)	15,168 (48,384)
	<u>Expenditure</u>						
12	Leave and License Fees paid to Asit C. Mehta Financial Services Limited	- (-)	- (-)	16,560,000 (10,324,505)	- (-)	- (-)	16,560,000 (10,324,505)
13	Leave and License Fees paid to Deena Mehta	- (-)	- (-)	- (-)	- (-)	1,440,000 (1,440,000)	1,440,000 (1,440,000)
14	Leave and License Fees paid to Asit Mehta	- (-)	- (-)	- (-)	- (-)	720,000 (720,000)	720,000 (720,000)
15	Professional Fees paid to Fellow Subsidiary	1,809,849 (857,000)	- (-)	- (-)	- (-)	- (-)	1,809,849 (857,000)
16	Remuneration (Including Contribution to PF)	- (-)	- (-)	- (-)	- (-)	6,326,478 (4,089,777)	6,326,478 (4,089,777)
17	Reimbursement of Electricity, Tel, Stamp Duty & Other Exps paid to Asit C Mehta Financial Services Limited	- (-)	- (-)	453,738 (366,101)	- (-)	- (-)	453,738 (366,101)
18	Marketing Expenses paid to Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	1,521,584 (1,660,509)	- (-)	1,521,584 (1,660,509)
19	Interest on Debentures to Asit C. Mehta & Deena Asit Mehta	- (-)	- (-)	- (-)	- (-)	2,520,000 (2,526,904)	2,520,000 (2,526,904)

(Figures in brackets relate to previous year)



e. Amounts outstanding:

Sr. No	Particulars	Fellow Subsidiary	Company over which the Company has significant Influence & Control	Ultimate Holding Company	Enterprise over which relative of KMP have control	KMP	Total
1	Investments	- (-)	24,200,000 (24,200,000)	- (-)	- (-)	- (-)	24,200,000 (24,200,000)
2	Deposits for Premises	- (-)	- (-)	26,251,740 (26,251,740)	- (-)	43,000,000 (43,000,000)	69,251,740 (69,251,740)
3	Amounts Payable to Asit C Mehta Financial Services Limited	- (-)	- (-)	52,600 (227,746)	- (-)	- (-)	52,600 (227,746)
4	Amounts Receivable from Nucleus IT Enabled Services Limited	53,000,000 (63,584)	- (-)	- (-)	- (-)	- (-)	53,000,000 (63,584)
5	Amount Receivable from Asit C Mehta Financial Services Limited	- (-)	- (-)	- (75,789,114)	- (-)	- (-)	- (75,789,114)
6	Amount Receivable from Asit C. Mehta Commodity Services Ltd.	- (-)	9,730,472 (7,580,472)	- (-)	- (-)	- (-)	9,730,472 (7,580,472)

(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 for securing various credit facilities sanctioned to the Company.



	Expenditure in Foreign Currency	As at 31/03/2017	As at 31/03/2016
29	Travelling Expenses	90,170	87,731

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.5,526,182/- (Previous year Rs.3,521,197/-) in its books.

31 Disclosure on Specified Bank Notes (SBNs)

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

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	612,500	213,338	825,838
(+) Permitted receipts	-	357,893	357,893
(-) Permitted payments		319,333	319,333
(-) Amount deposited in Banks	612,500	50	612,550
Closing cash in hand as on 30.12.2016	-	251,848	251,848

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

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,2017.

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Company - Asit C Mehta Investment Intermediates Limited	94.90	138,277,520	97.35	(23,224,199)
Foreign Subsidiary - Asit C Mehta Comdex Services, DMCC	3.14	4,578,445	3.02	(721,423)
Less: Inter-company transaction eliminated	1.96	2,853,773	(0.37)	89,261
Total	100	145,709,738	100	(23,856,361)

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

(DEENA A. MEHTA)

Managing Director

(KIRIT H. VORA)

Whole Time Director

(PANKAJ PARMAR)

Chief Financial Officer

(MEHA SIKARWAR)

Company Secretary

PLACE : MUMBAI
DATED : 18th May 2017

