



# MANEK & ASSOCIATES

CHARTERED ACCOUNTANTS

3, Shanti Kunj, 17, Prarthana Samaj Road, Vile Parle (East), Mumbai - 400 057.

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## SHAILESH MANEK

B.Com.(Hons), Grad. C.W.A.,F.C.A.

Independent Auditor's Report

To,

The Members,

**ASIT C.MEHTA INVESTMENT INTERMEDIATES LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED** (the Company), which comprise the balance sheet as at 31 March, 2019, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019 and its profit and loss and its cash flows for the year ended on that date.

### Basis for Opinion:

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

# MANEK & ASSOCIATES

## **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

## **Management's Responsibility for the Standalone 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 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 prescribed 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

# MANEK & ASSOCIATES

## • **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# MANEK & ASSOCIATES

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

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

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

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

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion 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 the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, and

# MANEK & ASSOCIATES

(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 litigation on its financial position in financial statements—Refer Note 25 to the financial statements.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For MANEK & ASSOCIATES**

**Chartered Accountants**

**Firm's registration number: 0126679W**



**Mumbai**

**Dated: May 22<sup>nd</sup>, 2019**

*SL Manek*

**(SHALESH MANEK)**

**Proprietor**

**Membership number.034925**



# MANEK & ASSOCIATES

CHARTERED ACCOUNTANTS

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## SHAILESH MANEK

B.Com.(Hons), Grad. C.W.A., F.C.A.

### Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

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

(b) Some of the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.

(c) There are no immovable properties in name of the company and therefore, the provisions of clause 3(i)(c) is not applicable..

(ii) The inventory in form of shares and securities lying in the dematerialised form has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on such verification

(iii) The Company has granted unsecured loans to wholly own subsidiary Company, a fellow subsidiary company and a company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

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

(b) In the case of the loans granted to the wholly owned subsidiary company, a fellow subsidiary company and a company, listed in the register maintained under section 189 of the Act, the borrower have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to subsidiaries company, a fellow subsidiary company and a company, listed in the register maintained under section 189 of the Act except interest free loan given to overseas wholly own subsidiary, which is under liquidation and for which provision is made.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and for providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, and the Rules framed there under are not applicable, and also no orders were passed by National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal and therefore clause 3(v) of the order is not applicable.

# MANEK & ASSOCIATES

(vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the service activities carried on by the Company and therefore, the provision of clause 3(vi) of the Order is not applicable

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods and service tax, custom duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, customs duty, and cess which have not been deposited on account of any dispute except income tax as per details given below

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.)</b>	<b>Period for which the amount relates</b>	<b>Forum where the dispute is pending</b>
Income Tax	Income Tax on regular assessment for A.Y. 2015-16	1,71,86,010/-	A.Y.2015-16	CIT Appeals

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a bank and financial institutions. Further, the Company has not issued any debentures during the year and therefore, the provision of clause 3 (viii) of the Order to that extent is not applicable

(ix) During the financial year, the company has not raised any money by way of initial public offer or further public offer (including debt instruments). However the terms loan raised during the year were applied for the purposes for which those are raised.

(x) According to information and explanations given to us there were no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year and therefore, the provision of clause 3 (x) of the Order is not applicable.

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

# MANEK & ASSOCIATES

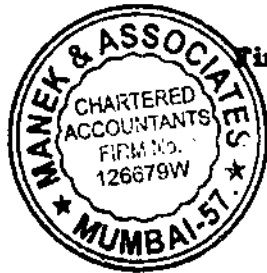
(xii) In our opinion, the company is not a chit fund or a nidhi and therefore, the provisions of clause 3(xii) of the Order are not applicable to the company.

(xiii) According to information and explanation given to us, all the transactions with related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore, the provisions of clause 3(xiv) of the Order are not applicable to the company.

(xv) During the financial year, the Company has not entered into any non-cash transactions with directors or persons connected with him and therefore, the provisions of clause 3(xv) of the Order are not applicable to the company.

(xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of clause 3(xvi) of the Order are not applicable to the company.



**Mumbai**

**Dated: May 22nd , 2019**

**For MANEK & ASSOCIATES**

**Chartered Accountants**

**Firm's registration number: 0126679W**

A handwritten signature in black ink that reads "S. Manek".

**(SHALESH MANEK)**

**Proprietor**

**Membership number.034925**



**ASIT C MEHTA INVESTMENT  
INTERMEDIATES LTD**

**FINANCIAL STATEMENT 2018-19**

**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD**  
**BALANCE SHEET AS AT 31ST MARCH 2019**

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Particulars	Note No.	As at 31/03/2019	As at 31/03/2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	19,31,11,110	19,31,11,110
(b) Reserves and Surplus	3	(2,40,63,967)	(3,84,59,835)
		16,90,47,143	15,46,51,275
<b>2 Non-Current Liabilities</b>			
(a) Long-term borrowings	4	13,09,203	1,23,35,085
(b) Other Long-term Liabilities	5	4,20,34,314	3,54,27,255
		4,33,43,517	4,77,62,339
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	6	32,90,66,968	16,24,62,876
(b) Trade Payables	7		
Due to Micro and Small Enterprises			
Due to Others		1,17,44,797	95,72,942
(c) Other current liabilities	8	62,62,22,050	63,17,09,394
(d) Short-term provisions	9	14,94,768	15,21,929
		96,85,28,583	80,52,67,141
<b>TOTAL</b>		<b>1,18,09,19,247</b>	<b>1,00,76,80,760</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	10		
(i) Tangible assets		1,67,60,907	1,97,57,770
(ii) Intangible assets		71,89,139	75,38,291
(iii) Capital Work in Progress		1,64,79,654	81,75,880
		4,04,29,700	3,54,71,940
(b) Non-current investments	11	4,60,86,324	4,69,96,189
(c) Deferred tax assets (net)	12	61,77,962	60,93,516
(d) Long-term loans and advances	13	10,60,24,904	10,41,60,434
(e) Other non-current assets	14	2,19,70,920	1,86,81,703
		18,02,60,110	17,59,31,842
<b>2 Current Assets</b>			
(a) Trade Receivables	15	5,09,48,113	68,97,471
(b) Cash and Bank Balances	16	40,40,56,199	42,45,49,993
(c) Short-term loans and advances	17	33,40,06,077	26,79,32,178
(d) Other current assets	18	17,12,19,049	9,68,97,336
		96,02,29,437	79,62,76,977
<b>TOTAL</b>		<b>1,18,09,19,247</b>	<b>1,00,76,80,760</b>

Significant Accounting Policies and Notes to Accounts

1 to 32

AS PER OUR REPORT OF EVEN DATE

For Manek & Associates

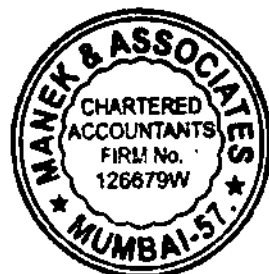
Chartered Accountants

FRN : 0126679W

Shailesh L. Manek

Proprietor

Membership No. 34925



FOR AND ON BEHALF OF BOARD OF DIRECTORS

*(Signature)*

(DEENA A. MEHTA)

Managing Director

*(Signature)*

(KIRIT H. VORA)

Whole Time Director

*(Signature)*

(PANKAJ PARMAR)

Chief Financial Officer

PLACE : MUMBAI

DATED : 22nd May 2019

**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

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Particulars	Note No.	For the year ended 31/03/2019	For the year ended 31/03/2018
<b>I INCOME</b>			
1 Revenue from operations	19	32,82,82,964	37,82,57,847
2 Other income	20	2,41,30,695	2,39,30,116
<b>Total Revenue</b>		<b>35,24,13,659</b>	<b>40,21,87,963</b>
<b>II EXPENDITURE</b>			
1 Employee benefits expense	21	10,48,68,621	10,15,61,941
2 Finance costs	22	2,21,34,936	1,83,98,481
3 Depreciation and amortization expense	10	82,59,466	87,35,126
4 Other expenses	23	20,28,10,982	26,18,64,757
<b>Total Expenses</b>		<b>33,80,74,005</b>	<b>39,05,60,305</b>
<b>III Profit / (Loss) before Exceptional and Extra Ordinary items and Tax</b>		<b>1,43,39,654</b>	<b>1,16,27,658</b>
<b>Add: Exceptional and Extra Ordinary items</b>		<b>1,43,39,654</b>	<b>1,16,27,658</b>
<b>IV Profit / (Loss) before tax</b>		<b>1,43,39,654</b>	<b>1,16,27,658</b>
<b>Tax expense:</b>			
(1) Current tax		17,57,195	-
(2) Deferred tax ( Net)		84,446	(12,43,588)
(3) MAT Credit Entitlement		(17,57,195)	-
(4) (Short)/Excess tax of earlier years (Income Tax Refund)		(28,232)	(10,311)
<b>Profit / (Loss) after tax for the year</b>		<b>1,43,95,868</b>	<b>1,03,73,759</b>
<b>VI Earnings per equity share:</b>			
(Face value of Rs.10/- Per Share)	24		
(1) Basic		1.27	0.93
(2) Diluted		1.27	0.93

Significant Accounting Policies and Notes to Accounts

1 to 32

AS PER OUR REPORT OF EVEN DATE

For Manek & Associates  
Chartered Accountants  
FRN : 0126679W

*Shailesh L. Manek*

Shailesh L. Manek  
Proprietor  
Membership No. 34925



FOR AND ON BEHALF OF BOARD OF DIRECTORS

*Deena A. Mehta*

(DEENA A. MEHTA)  
Managing Director

*Kirit H. Vora*

(KIRIT H. VORA)  
Whole Time Director

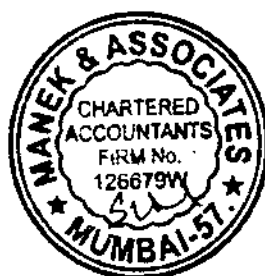
*Pankaj Parmar*

(PANKAJ PARMAR)  
Chief Financial Officer

PLACE : MUMBAI  
DATED : 22nd May 2019

**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	For the year ended 31/03/2019		For the year ended 31/03/2018	
<b>Cash Flow From Operating Activities</b>				
Net profit/(loss) before tax		1,43,39,654		1,16,27,658
<b>Adjustments for</b>				
Depreciation & Amortisation (Net)	82,59,466		87,35,126	
Interest income	(2,40,09,749)		(2,39,29,816)	
Dividend income	(1,15,062)		(300)	
Interest expense	2,21,34,936		1,78,56,655	
Loss on Sale of Fixed Assets	-		3,658	
Fixed Assets Written Off	-		6,88,981	
Provision for loan Doubtful Debts	29,44,001			
Provision for Diminution in Investment	40,14,370			
Foreign Exchange Difference	5,30,231	1,37,58,194		33,54,304
<b>Operating profit/(loss) before working capital changes</b>		<b>2,80,97,848</b>		<b>1,49,81,962</b>
<b>Adjustments for (Increase)/Decrease in operating assets</b>				
(Increase) / Decrease in Trade Receivables	(4,40,50,642)		(1,88,951)	
(Increase) / Decrease in Long Term loans & Advances	(18,64,470)		(40,20,901)	
(Increase) / Decrease in Other Non Current Assets	(32,89,217)		1,98,55,440	
(Increase) / Decrease in Other Bank FD's	(11,60,70,656)		(2,05,51,871)	
(Increase) / Decrease in Short Term Loans & Advances	(6,95,48,130)		(8,06,66,752)	
(Increase) / Decrease in Other Current assets	(7,43,21,713)	<b>(30,91,44,828)</b>	3,48,12,798	<b>(5,07,60,238)</b>
<b>Adjustments for Increase/(Decrease) in operating liabilities</b>				
Increase / (Decrease) in Long Term liabilities	66,07,059		4,90,837	
Increase / (Decrease) in Trade payables	21,71,855		(86,72,184)	
Increase / (Decrease) in Other current liabilities	(54,87,344)		17,20,65,508	
Increase / (Decrease) in Short term Provisions	(27,161)		10,31,805	
		<b>32,64,409</b>		<b>16,49,15,965</b>
<b>Cash generated from operating activities</b>		<b>(27,77,82,571)</b>		<b>12,91,37,690</b>
Refund received / (Taxes paid) (Net of Earlier Year Tax Adjustment)		(28,232)		(10,311)
<b>Net cash From Operating Activities (A)</b>		<b>(27,78,10,803)</b>		<b>12,91,27,379</b>
<b>Cash Flow From Investing Activities</b>				
Purchase of fixed assets	(1,22,17,227)		(1,20,39,074)	
Investment in Shares and Securities	(31,04,506)		(1,49,72,601)	
Sale of Fixed Assets	-		12,800	
Interest received	2,40,09,749		2,39,29,816	
Dividend received	1,15,062		300	
<b>Net cash generated from investing activities (B)</b>		<b>78,03,077</b>		<b>(30,68,759)</b>



**ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	For the year ended 31/03/2019		For the year ended 31/03/2018	
<b>Cash Flow From Financing Activities</b>				
Term Loan Repayment	-		-	
Proceeds from Term Loan received / (repaid)	9,74,118		(12,52,869)	
Repayment / Proceeds of Bank overdraft	15,04,04,092		1,29,89,208	
Intercorporate deposit received / (repaid)	42,00,000		(15,00,000)	
Intercorporate deposit received / (repaid)	-		-	
Interest Paid	(2,21,34,936)		(1,78,56,655)	
<b>Net cash used in financing activities (C)</b>		<b>13,34,43,274</b>		<b>(76,20,317)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(13,65,64,452)</b>		<b>11,84,38,303</b>
<b>Cash and Cash Equivalents - Opening 1st April</b>		<b>15,47,44,590</b>		<b>3,63,06,287</b>
<b>Cash and Cash Equivalents - Closing 31st March</b>		<b>1,81,80,138</b>		<b>15,47,44,590</b>

**NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

1 Cash & Cash Equivalents Include :

Cash on Hand	2,74,982	2,32,207
Balances with Banks In Current and Cash Credit Accounts	1,79,05,157	15,45,12,382
	<u>1,81,80,138</u>	<u>15,47,44,590</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  
AS PER OUR REPORT OF EVEN DATE

For Manek & Associates  
Chartered Accountants  
FRN : 0126679W

Shailesh L. Manek  
Proprietor  
Membership No. 34925

PLACE : MUMBAI  
DATED : 22nd May 2019



1 to 32

FOR AND ON BEHALF OF BOARD OF DIRECTORS

*(Signature of Deena A. Mehta)*

(DEENA A. MEHTA)  
Managing Director

*(Signature of Pankaj Parmar)*

(PANKAJ PARMAR)  
Chief Financial Officer

*(Signature of Kirit H. Vora)*

(KIRIT H. VORA)  
Whole Time Director

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

Notes to the Financial Statements

**Note-1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2019**

**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 and Portfolio Management Services. The Company has also obtained the Insurance Business and PFRDA licenses during the previous year.

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 calender 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 / Goods and 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**

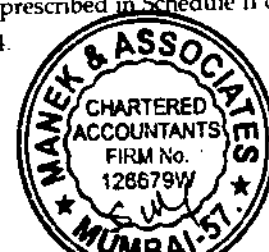
Shares, units, bonds and debentures are valued at lower of cost or market value.

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/CENVAT Credit Rules/ Goods and Service Tax 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.



ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

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**ii VALUATION**

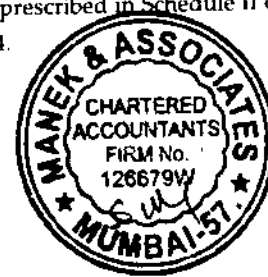
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- i Fixed assets, are stated at cost of acquisition as reduced by input tax credit available under Service Tax Rules/CENVAT Credit Rules/ Goods and Service Tax and as reduced by accumulated depreciation and amortization. Cost of fixed assets comprises 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.



Notes to the Financial Statements

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, Unabsorbed Depreciation 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 in respect of which there may not be probably any outflow of resources.





ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Notes to the Financial Statements

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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.



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

Notes to the Financial Statements

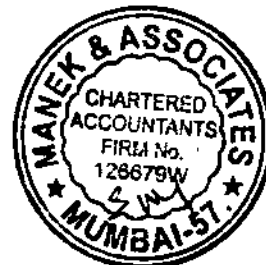
**Note 2 Share Capital**

2.1	Particulars	As at 31/03/2019	As at 31/03/2018
	<b>Authorized:</b>		
	1,22,50,000 [Previous Year 1,12,50,000] Equity Shares of Rs.10 each	12,25,00,000	12,25,00,000
	90,00,000 [Previous Year 90,00,000] Preference Shares of Rs.10 each	9,00,00,000	9,00,00,000
		<b>21,25,00,000</b>	<b>21,25,00,000</b>
	<b>Issued, Subscribed and fully Paid up:</b>		
	<b>EQUITY SHARE CAPITAL</b>		
	1,13,11,111 [Previous Year 1,13,11,111] Equity Shares of Rs. 10 each [Out of above, 55,61,111 nos. of Equity Shares (Previous Year 55,61,111) are held by Asit C Mehta Financial Services Ltd., Holding Company]	11,31,11,110	11,31,11,110
	<b>PREFERENCE SHARE CAPITAL</b>		
	45,00,000 [Previous Year 45,00,000] 9% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]	4,50,00,000	4,50,00,000
	15,00,000 [Previous Year 15,00,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030, Redeemable at premium at 5% per year or part of the year]	1,50,00,000	1,50,00,000
	20,00,000 [Previous Year 20,00,000] 4% Cumulative Redeemable Preference Shares of Rs.10 each [Redemption terms : Any time after one year from the date of allotment but not later than 31.03.2030]	2,00,00,000	2,00,00,000
		<b>19,31,11,110</b>	<b>19,31,11,110</b>

**2.2 Reconciliation of Number of Shares**

Particulars	Equity Shares	9% Cumulative Redeemable Preference Shares	4% Cumulative Redeemable Preference Shares (Redeemable at premium at 5% per year or part of the year)	4% Cumulative Redeemable Preference Shares
Shares outstanding at the beginning of the year	1,13,11,111 (1,11,11,111)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 (20,00,000)
Add : Shares Issued, Subscribed and fully Paid up during the year	-	-	-	-
	(2,00,000)	(-)	(-)	(-)
Less : Shares Redeemed/Bought back during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Shares outstanding at the end of the year	1,13,11,111 (1,13,11,111)	45,00,000 (45,00,000)	15,00,000 (15,00,000)	20,00,000 (20,00,000)

(Figures in brackets relate to previous year)



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

Notes to the Financial Statements

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

	As at 31/03/2019		As at 31/03/2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>a) Equity Shares</b>				
Shri Asit C. Mehta	31,91,566	28.22	31,91,566	28.22
Smt. Deena A. Mehta	17,37,516	15.36	17,37,516	15.36
Asit C Mehta Financial Services Ltd.	55,61,111	49.17	55,61,111	49.17
Asit C Mehta Commodity Services Ltd.	5,72,500	5.06	5,72,500	5.06
<b>b) 9% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	22,50,000	50.00	22,50,000	50.00
Smt. Deena A. Mehta	22,50,000	50.00	22,50,000	50.00
<b>c) 4% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	8,00,000	53.33	8,00,000	53.33
Smt. Deena A. Mehta	7,00,000	46.67	7,00,000	46.67
<b>d) 4% Cumulative Redeemable Preference Shares</b>				
Shri Asit C. Mehta	10,00,000	50.00	10,00,000	50.00
Smt. Deena A. Mehta	10,00,000	50.00	10,00,000	50.00

**2.4 Rights of shareholders**

a) The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share on any resolution placed before the Company in any general meeting. A holder is entitled to dividend proposed by Board of Directors, subject to the approval of shareholders in Annual General Meeting.

b) In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

c) The Company has following classes of Preference shares having a par value of Rs.10/- per share. Their rights are as under:  
The Preference Shares shall carry voting rights in accordance with the provisions of the Companies Act, 1956/the Companies Act, 2013. Since Preference Dividend is in arrears for more than 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.

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

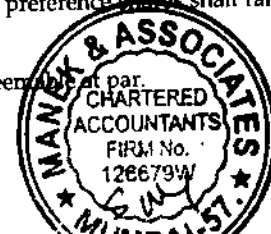
-The Preference Shares shall carry a preferential dividend @ 4% payable from the date of allotment. The preference shares shall rank for dividend in priority to the equity shares.

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.

**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.



## Notes to the Financial Statements

Note-3 Reserves & Surplus		₹	
3.1	Particulars	As at 31/03/2019	As at 31/03/2018
	<b>a. Securities Premium Reserve Account</b>		
	As per Last Balance sheet	7,42,22,220	7,02,22,220
	Add : Received during the year	-	40,00,000
		<b>7,42,22,220</b>	<b>7,42,22,220</b>
	<b>b. General Reserve</b>		
	As per Last Balance sheet	1,79,95,126	1,79,95,126
		<b>1,79,95,126</b>	<b>1,79,95,126</b>
	<b>c. Surplus in Statement of Profit &amp; Loss</b>		
	As per Last Balance sheet	(13,06,77,181)	(14,10,50,940)
	Add : Net Profit / (Loss) For the current year	1,43,95,868	1,03,73,760
		<b>(11,62,81,313)</b>	<b>(13,06,77,181)</b>
		<b>(2,40,63,967)</b>	<b>(3,84,59,835)</b>

## Note 4 Long Term Borrowings

4.1		₹	
Particulars	As at 31/03/2019	As at 31/03/2018	
<b>Secured</b>			
<b>Term loans</b>			
<b>A) From Banks</b>	13,09,203	-	
<b>B) From Others</b>	-	3,35,085	
[Secured by hypothecation of motor cars Interest rate at 8.86% p.a. (previous year 10.92%p.a.)]			
	<b>13,09,203</b>	<b>3,35,085</b>	
<b>Unsecured</b>			
<b>14% Compulsory Convertible Debentures</b>			
4,00,000 (Previous year 4,00,000) 14% Compulsory Convertible Debentures of Rs.30 each; convertible into one equity share of Rs.10 each at premium of Rs.20/- per share, on or before 31/01/2020.	-	1,20,00,000	
		<b>1,20,00,000</b>	
	<b>13,09,203</b>	<b>1,23,35,085</b>	



## 4.2 Maturity Profile

₹

Particulars	Current Portion	Non Current Portion
	2018-19	2019-20 to 2020-21
Car Loan Bank (Secured by hypothecation of Motor Car)	3,12,836	13,09,203
	3,12,836	13,09,203

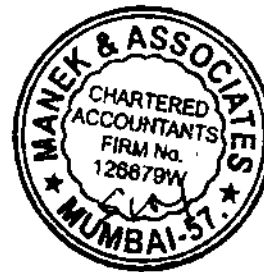
## Note 5 Other Long Term Liabilities

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Particulars	As at 31/03/2019	As at 31/03/2018
	Others Base Capital Deposits	4,20,34,314
	4,20,34,314	3,54,27,255

## 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 (including sticky balance) received from Business Associates and outstanding as at the year end is Rs. 4,20,34,314/- (Previous year Rs. 3,54,27,255/-), which includes the value of securities received in the form of shares and securities of Rs. 1,32,75,761/- (Previous Year - Rs. 60,78,329/-).
- 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.

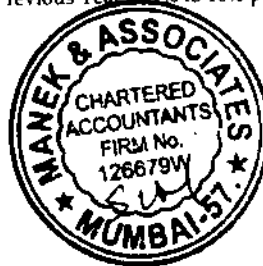


## Note 6 Short Term Borrowings

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6.1	Particulars	As at 31/03/2019	As at 31/03/2018
	<b>Secured</b>		
	<b>From Banks</b>		
	[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) registered mortgage of residential premises owned by Managing director and one of the whole time directors; (ii) registered mortgage of office premises owned by one of the whole time directors; and (iii) personal guarantee of the Managing Director and one of the whole time directors]	14,98,97,100	14,95,54,472
	[From Bank of India (overdraft facility) secured by (i) Mortgage of office unit no.101 A wing and Unit No.103 A wing situated at Nucleus House, Saki Vihar Road, Andheri (East), Mumbai-400072. in the Name of Asit C. Mehta Financial Services Limited - The Holding Company, and (ii) personal guarantee of the Managing Director, one of the whole time directors, its Holding company and one of the Group company]	1,29,94,868	1,29,08,404
	[From Bank of India (overdraft facility) against 50% Banks TDR, Personal / Corporate guaranties of one of the Managing Director , one of the whole time directors, its Holding company and one of the Group company]	4,99,75,000	-
	From ICICI Bank (Short Term Loan) secured by all the current assets of the company with 50% Cover. Personal guaranties of one of the Managing Director , one of the whole time directors.	10,00,00,000	-
		<b>31,28,66,968</b>	<b>16,24,62,876</b>
	<b>Unsecured</b>		
	a. Inter Corporate Deposit	42,00,000	-
	b. 14% Compulsory Convertible Debentures 4,00,000 (Previous year 4,00,000) 14% Compulsory Convertible Debentures of Rs.30 each; convertible into one equity share of Rs.10 each at premium of Rs.20/- per share, on or before 31/01/2020.	1,20,00,000	-
		<b>1,62,00,000</b>	-
		<b>32,90,66,968</b>	<b>16,24,62,876</b>

- 6.2 i) Rate of Interest by State Bank of India on Overdraft facility against Hypothecation of Fixed Assets is MCLR Rate + 2.75% p.a. (Presently Rate 11.30% p.a.) (Previous Year 12.60% p.a.)
- ii) Rate of Interest by Bank Of India on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 3.50% p.a. (Presently Rate 12.10% p.a.) (Previous Year 12% p.a.)
- iii) Rate of Interest by Bank Of India on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 3.50% p.a. (Presently Rate 12.15% p.a.)
- iv) Rate of Interest by ICICI Ltd. on Overdraft facility against Mortgage of Fixed Assets is MCLR Rate + 2% p.a. (Presently Rate 10.65% p.a.)
- v) On Inter Corporate Deposit Interest was paid @ 11% p.a. (Previous Year @ 11% to 16% p.a..)



**Note 7 Trade Payables**

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7.1	Particulars	As at 31/03/2019	As at 31/03/2018
	Creditors for Expenses		
	(a) Total Outstanding Dues of micro enterprises and small enterprises		
	(b) Total Outstanding Dues of creditors other than micro enterprises and small enterprises	1,17,44,797	95,72,942
		<b>1,17,44,797</b>	<b>95,72,942</b>

7.2 The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2002 ("MSMED Act"), and therefore no such disclosures under the Act is considered necessary. This has been relied upon by the auditors.

Amounts payable to Micro and Small Enterprises	As at 31/03/2019	As at 31/03/2018
(i) the principal amount and the interest due thereon	Nil	Nil
(ii) interest paid during the year	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid	Nil	Nil
(v) the amount of further interest remaining due and payable	Nil	Nil

**Note 8 Other Current Liabilities**

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8.1	Particulars	As at 31/03/2019	As at 31/03/2018
	Current maturities of long-term borrowings(Refer Note 4.1)	3,12,836	12,52,869
	Amounts Due to Constituents	35,19,51,373	35,32,60,201
	Statutory Dues	54,79,976	75,20,367
	Shares Received as margin from Constituents ( Refer note 8.2)	21,32,08,074	21,67,99,801
	Other Liabilities	87,19,790	63,26,156
	Escrow Deposit	4,65,50,000	4,65,50,000
		<b>62,62,22,050</b>	<b>63,17,09,394</b>

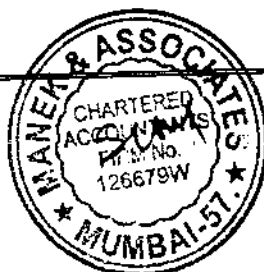
**8.2 MARGIN FROM CONSTITUENTS**

- a The Company, in the course of its business and as per the terms and conditions with Clients, has received initial margin in the form of shares and securities (which are transferred to and held in the name of the Company).
- b Initial margin so received in the form of shares or securities is accounted in the books at the market value thereof prevailing at the end of the year.
- c As per the terms and conditions, the Company has an absolute right to appropriate and realize the initial margin 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 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**

₹

	Particulars	As at 31/03/2019	As at 31/03/2018
	Provision for employee benefits		14,232
	Employee Salaries	2,92,188	5,09,033
	Leave Encashment ( Refer note 21.2)	12,02,580	9,98,664
	Gratuity ( Refer note 21.2)	14,94,768	15,21,929



Note 10 - Property, Plant and Equipments

ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

	Description	Gross Block				Depreciation/Amortization				Net Block		
		Balance as at 1/4/2018	Additions	Addition on Account of Revaluation	Disposals/ Sales/discarded	Balance as at 31/03/2018	Balance as at 1/4/2018	For the Year	On disposals/ Sales/discarded	Balance as at 31/03/2019	Balance as at 31/03/2019	Balance as at 31/03/2018
a)	<b>Tangible Assets-Owned</b>											
	Office and Other Equipments	2,21,94,853 (2,31,00,399)	4,71,660 (1,21,692)	-	- (10,27,225)	2,26,66,513 (2,21,94,866)	1,64,93,348 (1,50,12,597)	17,76,039 (23,40,931)	- (8,60,180)	1,82,69,387 (1,64,93,348)	43,97,126 (57,01,518)	57,01,505 (80,87,802)
	Electric Installation	8,64,908 (21,56,450)	-	-	- (12,91,543)	8,64,908 (8,64,907)	7,99,346 (14,27,507)	4,939 (1,76,987)	- (8,05,147)	8,04,285 (7,99,347)	60,623 (65,559)	65,562 (7,28,943)
	Furniture and Fixtures	2,70,80,531 (2,70,80,527)	1,80,000	-	-	2,72,60,531 (2,70,80,527)	2,18,07,008 (1,92,50,145)	23,16,493 (25,56,871)	-	2,41,23,501 (2,18,07,016)	31,37,030 (52,73,511)	52,73,523 (78,30,382)
	Computers	1,72,07,077 (1,47,31,470)	12,33,931 (34,20,102)	-	- (9,44,496)	1,84,41,008 (1,72,07,076)	1,16,55,936 (1,07,62,666)	21,23,150 (17,85,749)	- (8,92,479)	1,37,79,086 (1,16,55,936)	46,61,922 (55,51,141)	55,51,141 (39,68,804)
	Vehicles	45,30,597 (45,30,597)	20,00,582	-	-	65,31,179 (45,30,597)	13,64,560 (8,40,726)	6,62,413 (5,23,831)	-	20,26,973 (13,64,557)	45,04,206 (31,66,040)	31,66,037 (36,89,871)
		<b>7,18,77,966</b> <b>(7,15,99,443)</b>	<b>38,86,173</b> <b>(35,41,794)</b>	<b>-</b>	<b>-</b> <b>(32,63,264)</b>	<b>7,57,64,139</b> <b>(7,18,77,973)</b>	<b>5,21,20,197</b> <b>(4,72,93,641)</b>	<b>68,83,034</b> <b>(73,84,369)</b>	<b>-</b> <b>(25,57,806)</b>	<b>5,90,03,232</b> <b>(5,21,20,204)</b>	<b>1,67,60,907</b> <b>(1,97,57,769)</b>	<b>1,97,57,769</b> <b>(2,43,05,802)</b>
b)	<b>Intangible Assets-Owned</b>											
	Computer software	2,57,94,800 (2,53,73,401)	10,27,280 (4,21,400)	-	-	2,68,22,080 (2,57,94,801)	1,82,56,510 (1,69,05,753)	13,76,432 (13,50,757)	-	1,96,32,942 (1,82,56,510)	71,89,139 (75,38,291)	75,38,290 (84,67,648)
		<b>2,57,94,800</b> <b>(2,53,73,401)</b>	<b>10,27,280</b> <b>(4,21,400)</b>	<b>-</b>	<b>-</b>	<b>2,68,22,080</b> <b>(2,57,94,801)</b>	<b>1,82,56,510</b> <b>(1,69,05,753)</b>	<b>13,76,432</b> <b>(13,50,757)</b>	<b>-</b>	<b>1,96,32,942</b> <b>(1,82,56,510)</b>	<b>71,89,139</b> <b>(75,38,291)</b>	<b>75,38,290</b> <b>(84,67,648)</b>
	<b>Current Year</b>	<b>9,76,72,766</b>	<b>49,13,453</b>	<b>-</b>	<b>-</b>	<b>10,25,86,219</b>	<b>7,03,76,707</b>	<b>82,59,466</b>	<b>-</b>	<b>7,86,36,173</b>	<b>2,39,50,046</b>	<b>2,72,96,059</b>
	<b>Previous Year</b>	<b>(9,69,72,844)</b>	<b>(39,63,194)</b>	<b>-</b>	<b>(32,63,264)</b>	<b>(9,76,72,774)</b>	<b>(6,41,99,394)</b>	<b>(87,35,126)</b>	<b>(25,57,806)</b>	<b>(7,03,76,714)</b>	<b>(2,72,96,060)</b>	<b>(3,27,73,450)</b>





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

**Notes to the Financial Statements**

**Note 11 Non current Investment -Other than Trade**

11.1	Name of the Body Corporate	Amount	
		As at 31/03/2019	As at 31/03/2018
	<b>Investment in Equity Instruments</b>		
	<b>Quoted- At Cost</b>		
1	Investment in Shares and Securities * ( Note 11.5 )	1,33,67,899	1,02,63,391
	<b>Unquoted -At Cost</b>		
2	5,00,000 Omniscience Preference Shares (-)	50,00,000	50,00,000
	<b>In Equity shares of Wholly Owned subsidiary (fully paid up)</b>		
3	600 Asit C Mehta Comdex Services, DMCC [share of 1,000.Dirhams-AED] (refer note no 28) (refer note 11.2) (600)	75,14,370	75,14,370
	Less : Provision for diminution in the value of Investments	(40,14,370)	
	<b>In Equity shares of others (fully paid up)</b>		
4	2,00,000 Asit C. Mehta Commodity Services Ltd. (refer note no 28) (200000)	35,00,000	2,42,00,000
5	2,750 Vippy Industries Limited (Face Value Re. 1/- per share) (2750)	18,425	18,425
		<b>4,60,86,324</b>	<b>4,69,96,186</b>

(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 based on latest information available with DMCC and other sources, we have provided for diminution in the value of investments to the extent of Rs.40,14,370/- resulting in the balance investment at Rs.35,00,000/-.

11.3	Particulars	As at 31/03/2019	As at 31/03/2018
	Investment in Equity Instruments	5,01,00,694	4,69,96,189
	Less : Provision for diminution in the value of Investments	40,14,370	-
		<b>4,60,86,324</b>	<b>4,69,96,189</b>

11.4	Particulars	As at 31/03/2019	As at 31/03/2018
	Aggregate amount of quoted investments [Market value Rs.1,25,04,487/- (previous year Rs.1,23,,93,713/-)]	-	1,02,63,394
	Aggregate amount of unquoted investments	75,14,370	75,14,370



Sr. No.	Name of the Body Corporate	Amount	Amount
	<b>Quoted- At Cost</b>		
	<b>Other shares and Securities</b>		
	7,000 Omnitex Industries (India) Limited (7000)	30,543	30,543
	694 BSE Limited [Share of Re 1 each] (694)	2,60,250	2,60,250
	1,58,234 IRIS Business Services Limited (-1,56,000)	67,63,455	51,20,000
	800 Delta Corp Limited (-)	2,11,122	-
	4,500 DCB Bank Limited (-)	9,31,919	-
	6,400 Sarveshwar Foods Limited (-)	2,88,160	-
	5,000 JAYPEE INFRATECH- EQ (-)	29,850	-
	<b>Investment in PMS</b>		
1	375 Allcargo logistics Limited (375)	81,080	81,080
2	74 Bajaj Auto Limited (74)	2,41,211	2,41,211
3	290 Balmer Lawrie & Company Limited (290)	81,270	81,270
4	140 Cyient Limited (140)	80,687	80,687
5	230 D B Corp Limited (230)	83,569	83,569
6	120 Finolex Industries Limited (120)	79,769	79,769
7	280 HCL Technology Limited (280)	2,49,204	2,49,204
8	65 Hero Moto Corp Limited (65)	2,43,602	2,43,602
9	263 Hindustan Zinc Limited (263)	83,381	83,381
10	556 Infosys Limited (278)	2,82,426	2,82,426
11	458 Jagran Prakashan Limited (458)	83,146	83,146
12	465 KPIT Technologies Limited (465)	40,681	93,822
13	500 Reliance ETF Liquid BeES (500)	5,01,169	5,01,169
14	75 Larsen & Toubro Infotech Limited (75)	85,037	85,037
15	110 Mphasis Limited (110)	78,833	78,833
16	124 MPS Limited (124)	83,111	83,111
17	285 Munjal Showa Limited (285)	83,699	83,699
18	125 NIIT Technologies Limited (125)	83,182	83,182



19	2674 (2674)	PTC India Financial Services Limited	1,02,788	1,02,788
20	298 (298)	Rallis India Limited	81,588	81,588
21	1585 (1585)	Rural Electrification Corporation Limited	2,53,405	2,53,405
22	210 (210)	Supreme Petrochem Limited	84,636	84,636
23	135 (135)	Tata Sponge iron Limited	1,37,860	1,37,860
24	100 (100)	Bharti Infratel Limited	38,088	38,088
25	240 (240)	Aurobindo Pharma Limited	1,60,171	1,60,171
26	635 (635)	Coal India Limited	1,76,082	1,76,082
27	800 (800)	Exide Industries Limited	1,78,751	1,78,751
28	1,220 (1220)	NMDC Limited	1,85,811	1,85,811
29	665 (665)	Petronet LNG Limited	1,68,030	1,68,030
30	128 (64)	Tata Consultancy Services Limited	1,69,869	1,69,869
31	350 (350)	Tech Mahindra Limited	1,81,526	1,81,526
32	284 (284)	Zee Entertainment Enterprises Limited	1,65,038	1,65,038
33	1370 (1370)	Power Finance Corporation Limited	1,70,755	1,70,755
	465 (-)	Birlasoft Limited	53,141	-
<b>TOTAL</b>			<b>1,33,67,899</b>	<b>1,02,63,391</b>



## Notes to the Financial Statements

## Note 12 Deferred Tax Assets (Net)

12.1 Recognition of Deferred Tax Assets (Net of Liabilities) in respect of the current year amounting to Rs.88,013/- [Previous year Reversal of Deferred Tax Assets (Net of Liabilities) Rs 12,43,588/-] has been credited to the Statement of Profit and Loss. Major components are as under:

₹

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Deferred Tax (Liabilities) / Assets</b>		
Depreciation	12,26,615	5,00,396
Total	12,26,615	5,00,396
Less:-		
<b>Deferred Tax Assets:</b>		
Business loss	-	7,38,358
Unabsorbed Depreciation	46,38,677	45,97,607
Expenses Provisions	3,12,671	2,57,156
Total	49,51,347	55,93,120
<b>Net Deferred Tax Assets / (Tax Liabilities)</b>	<b>61,77,962</b>	<b>60,93,516</b>

12.2 In compliance with the Accounting Standard-22, the management has been regularly reviewing the carrying amounts of the deferred tax assets including relating to deferred tax assets arising from the carried forward losses and Unabsorbed Depreciation, 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.7,38,358/- (Previous Year 67,39,958/-) has been reversed.

## Note 13 Long Term Loans and Advances

13.1

₹

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Unsecured, considered good</b>		
<b>a) Security Deposits</b>		
<b>Membership and Other Deposits with Stock Exchanges and Securities Clearing Corporations</b>		
The National Securities Clearing Corporation Limited	44,00,000	1,69,00,000
BSE Ltd.	51,25,000	1,25,000
Central Depository Services (India) Ltd	8,40,000	7,50,000
	1,03,65,000	1,77,75,000
Deposits for Premises and Other Deposits (refer note no 28)	7,04,57,191	7,01,57,191
<b>b) Shares Received As Margin From [See Note 5.2 (e)]</b>		
Business Associates	1,32,75,761	60,78,330
<b>c) Other Advances</b>		
Prepaid Expenses	10,06,272	20,35,831
Advance Income Tax	1,09,20,679	81,14,081
	<b>10,60,24,904</b>	<b>10,41,60,434</b>



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

Notes to the Financial Statements

**Note 14 Other Non Current Assets**

₹

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Amounts Due from Business Associates</b>		
Secured against Base capital Deposits	6,50,000	3,50,000
Others - Unsecured, considered good	28,13,122	27,43,855
	34,63,122	30,93,855
<b>Amounts Due from Constituents</b>		
Secured against Shares	1,16,11,852	66,60,537
Others - Unsecured, considered good	68,95,946	89,27,311
	1,85,07,798	1,55,87,848
	2,19,70,920	1,86,81,703

**Note 15 Trade Receivables**

₹

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six months from the date they were due for payment	38,08,031	34,26,990
Other Debts	4,71,40,082	34,70,481
	5,09,48,113	68,97,471



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

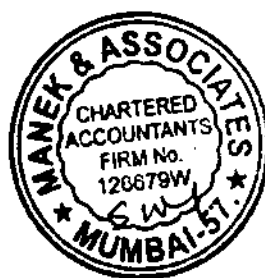
Notes to the Financial Statements

**Note 16 Cash and Bank Balances**

₹

16.1	Particulars	As at 31/03/2019	As at 31/03/2018
	<b>a) Cash and cash equivalents</b>		
	Balances in Current Accounts	1,79,05,157	15,45,12,382
	Cash on hand	2,74,982	2,32,207
		1,81,80,139	15,47,44,589
	<b>b) Other Bank balances</b>		
	Fixed Deposits		
	Fixed Deposits with Banks having Maturity of more than three months but within twelve months ( See Note 16.2, 16.3, 16.4, 16.5)[ including Interest accrued but not due of Rs.41,51,059/- (previous year Rs.18,12,389/-)]	38,58,76,059	12,20,62,389
	Fixed Deposits with Banks having Maturity of more than Twelve months [ including Interest accrued but not due of Rs Nil/- (previous year Rs.1,18,015/- )]	-	14,77,43,015
		<b>40,40,56,199</b>	<b>42,45,49,993</b>

- 16.2 Fixed Deposits with Banks include Rs.20,00,00,000/- (Previous Year Rs.NIL) pledged against Term Loan given by ICICI Ltd.
- 16.3 Fixed Deposits with Bank of India include Rs.6,00,00,000/- (Previous Year Rs.6,00,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Nucleus IT Enabled Services Limited., the wholly owned subsidiary of the Holding company, for its business purpose.
- 16.4 Fixed Deposits with Bank of India include Rs.6,25,00,000/- (Previous Year Rs.6,25,00,000/-) pledged with Bank of India as Security against Overdraft facilities granted in the year 2014-15 to Asit C Mehta Commodity Services Ltd.,for its business purpose.
- 16.5 Fixed Deposits with Bank of India include Rs,2,71,25,000/- (Previous Year Rs.13,00,00,000/-) pledged against gurantee given by the Bank
- 16.6 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**

₹

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Others</b>		
<b>Unsecured, considered good</b>		
Loans To Staff	5,00,970	7,17,700
<b>Loans &amp; Advances</b>		
Inter Corporate loans	3,00,00,000	1,00,00,000
wholly owned subsidiary -Asit C. Mehta Comdex DMCC (Refer Note 28)	29,44,001	29,44,001
Less :- Provision for Doubtful loan	(29,44,001)	-
Asit C. Mehta Commodity Services Ltd (Refer Note 28)	2,08,22,687	75,00,000
Fellow Subsidiary Nucleus IT Enabled Services Limited (Refer Note 28)	55,00,000	-
Input Credit - GST / Cenvat Credit	28,778	37,17,844
Prepaid Expenses	26,52,737	51,91,121
Deposit with Clearing house	66,47,234	62,47,234
Deposit with Stock Exchange	69,94,000	1,25,10,000
Balances with Stock Exchanges	4,51,92,804	9,24,471
Advances recoverable in cash or in kind or for value to be received	24,58,792	13,80,007
<u>Shares Received As Margin From [See Note 8.2]</u>		
Constituents	21,32,08,074	21,67,99,801
	<b>33,40,06,077</b>	<b>26,79,32,178</b>

**Note 18 Other Current Assets**

₹

18.1

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Amounts Due from Business Associates</b>		
Secured against Base capital Deposits, considered good	6,61,158	7,65,597
Others - Unsecured, considered good	3,40,551	2,64,598
Doubtful	-	-
	10,01,709	10,30,195
<b>Amounts Due from Constituents</b>		
Secured against Shares , considered good	16,38,46,528	7,93,20,198
Others - Unsecured, considered good	62,46,504	1,63,70,060
	17,00,93,032	9,56,90,258
Interest Receivable on Advances	1,06,692	1,17,542
Interest Accrued But Not Due on Other Deposits	17,616	59,341
	<b>17,12,19,049</b>	<b>9,68,97,336</b>

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

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



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

Notes to the Financial Statements

**Note 19 Revenue from Operations**

₹

19.1	Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
	<b>a) Sale of services</b>		
	Brokerage from Stock Exchange Operations	19,01,53,948	27,07,86,522
	Brokerage from Money Market Operations	-	4,86,054
	Brokerage income from Mutual Fund / Bond	1,21,22,928	1,64,08,623
	Demat Income	2,63,84,355	3,27,14,858
	Arranger Fees for Fund Mobilization	26,25,229	24,63,409
	Corporate Advisory Services / Merchant Banking	21,60,000	91,04,084
	Corporate Advisory Services - Export	5,25,07,500	-
	<b>b) Profit / (Loss) on Security Transactions</b>	2,00,97,915	1,58,56,168
	<b>c) Other Operating Revenues</b>	2,22,31,088	3,04,38,128
		<b>32,82,82,964</b>	<b>37,82,57,847</b>

**Note 20 Other Income**

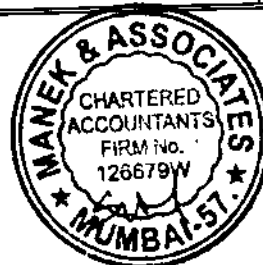
₹

20.1	Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
	<b>a) Interest Income</b>		
	Interest on Fixed Deposits with banks	1,90,49,122	1,79,87,854
	Interest on Loan	47,39,399	53,86,791
	Interest on Security Deposit with clearing Corporation	2,21,228	1,90,479
	Interest on Income - tax Refund	-	3,64,693
	<b>b) Dividend income</b>	1,15,062	300
	<b>c) Other Misc Income</b>	5,885	-
		<b>2,41,30,695</b>	<b>2,39,30,116</b>

**Note 21 Employee Benefits Expense**

₹

21.1	Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
	Salaries, Allowances and Bonus	9,35,95,779	8,97,67,914
	Directors' Remuneration (refer note no 28)	44,82,000	44,90,893
	Contribution to Provident Fund and Other Funds	40,80,882	39,04,679
	Contribution and Payments for Gratuity	14,31,404	23,93,777
	Staff Welfare Expenses	12,78,556	10,04,677
		<b>10,48,68,621</b>	<b>10,15,61,941</b>





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

Notes to the Financial Statements

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:

	2018-2019	2017-2018
Employer's contribution to Provident fund and Pension Fund (including of Whole time Directors)	34,80,493	32,41,483

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	2018-2019		2017-2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Benefit Obligation at the beginning of the year	1,13,69,878	5,09,033	86,43,997	2,44,848
Current Service Cost	17,76,735	2,79,147	14,82,457	2,70,061
Interest cost	8,23,176	(17,627)	6,38,381	(2,418)
Past Service Cost - (Vested Benefits)	-	-	18,24,277	-
Actuarial (gain) / loss	(3,84,979)	9,99,338	(10,92,008)	5,51,228
Benefit Paid	(12,74,920)	(14,77,703)	(1,27,226)	(5,54,686)
<b>Total Defined Benefit Obligation at the year end</b>	<b>1,23,09,890</b>	<b>2,92,188</b>	<b>1,13,69,878</b>	<b>5,09,033</b>

b) **Table showing Changes in Fair value of Planned assets** ₹

Particulars	2018-2019		2017-2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair value of planned assets at the beginning of the year	1,03,71,214	Not Applicable	84,04,443	Not Applicable
Expected return on planned assets	7,92,100	-	7,31,500	-
Contribution	11,87,625	-	16,06,610	-
Actuarial (gain) / loss	31,291	-	(2,44,113)	-
Benefits paid	(12,74,920)	(14,77,703)	(1,27,226)	(5,54,686)
<b>Fair value of planned assets at the year end</b>	<b>1,11,07,310</b>	<b>-</b>	<b>1,03,71,214</b>	<b>-</b>

c) **Expenses recognized during the year** ₹

Particulars	2018-2019		2017-2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	17,76,735	2,79,147	14,82,457	2,70,061
Interest cost	8,23,176	(17,627)	6,38,381	(2,418)
Past Service Cost - (Vested Benefits)	-	-	18,24,277	-
Expected Return on Plan Assets	(7,92,100)	-	(7,31,500)	-
Actuarial (gain) / loss	(4,16,270)	9,99,338	(8,47,895)	5,51,228
<b>Total</b>	<b>13,91,541</b>	<b>12,60,858</b>	<b>23,65,720</b>	<b>8,18,871</b>

d) **Actuarial Assumptions**

Particulars	2018-2019		2017-2018	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Mortality Rate (L.I.C.)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)	IALM (2006-08) Ult. (Ultimate)
Withdrawal Rate	1%	1%	1%	1%
Discount Rate/Interest Rate	7.67%	7.67%	7.67%	7.67%
Salary Escalation	6.5%	6.5%	6.5%	6.5%
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**

₹

Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
<b>a) Interest Expense</b>		
On Intraday exposure	3,87,890	-
On Cash Credit Accounts	1,74,17,929	1,33,04,289
On Car Loan	1,58,695	2,41,027
On Inter corporate Deposits	7,91,976	21,92,359
On Unsecured Debentures	16,80,000	21,01,151
Miscellaneous Interest	3,03,220	17,829
<b>b) Other Borrowing Cost</b>		
Processing fees for loan	13,95,226	5,41,826
	<b>2,21,34,936</b>	<b>1,83,98,481</b>

**Note 23 Other Expenses**

₹

23.1

Particulars	For the year ended 31/03/2019	For the year ended 31/03/2018
Business Associates Expenses	10,94,07,695	15,08,43,505
Service Charges Demat	32,27,225	41,31,923
Leave and License Fees for Premises	2,26,69,728	1,91,12,966
Office Maintenance	15,98,686	15,97,825
Marketing Expenses	91,07,297	1,00,85,281
Membership & Subscription	32,54,693	30,67,028
Bank Guarantee Commission	42,32,723	33,91,627
Travelling and Conveyance Expenses	33,74,099	20,47,235
<u>Repairs and Maintenance</u>		
To Equipments	54,12,060	70,72,247
To Others	16,12,987	11,14,491
Electricity Charges	44,94,173	35,22,397
Communication, Connectivity & Telephone Expenses (Net)	43,24,363	50,73,006
Postage and Courier Expenses	17,56,175	19,53,528
Printing and Stationery (Net)	21,12,185	16,23,914
Legal and Professional Fees	72,38,866	1,08,88,597
Insurance	4,53,633	5,39,626
<u>Auditors' Remuneration (Net of Service Tax) :</u>		
- Audit and Tax Audit Fees	9,75,000	9,75,000
- Taxation Matter	1,25,000	1,25,000
- Other Services	3,52,606	1,72,796
	62,61,118	59,93,849
Miscellaneous Expenses	-	6,88,981
Fixed Assets Written Off	29,44,001	-
Provision for Doubtful Debts	40,14,370	-
Diminution in value of Investments	-	3,658
Loss On Sale Of Assets	3,05,439	-
Commission paid on PMS Management Fees	7,81,297	-
Arbitrage Income Sharing expenses	1,44,166	2,72,10,113
Depository charges / Other receivables Written off	26,31,400	4,62,040
Rates & Taxes	-	1,63,089
Service Tax & Swachh Bharat Cess	-	5,033
Prior Period Expenses	-	-
	<b>20,28,10,982</b>	<b>26,18,64,757</b>



**ASIT C. MEHTA INVESTMENT INTERRMEDIATES 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.2,26,69,728/- [Previous year Rs.1,91,12,966/-] 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 31/03/2019	As at 31/03/2018
not more than one year	2,31,60,492	2,26,24,728
later than one year and not more than five years	3,53,76,900	5,93,19,000
later than five years	-	-

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

Particulars	As at 31/03/2019	As at 31/03/2018
<b>Basic Earning per Share:</b>		
Net Profit / (loss) after Tax	1,43,95,868	1,03,73,759
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	1,43,95,868	1,03,73,759
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,13,11,111	1,12,11,933
<b>Basic Earning per Share</b>	<b>1.27</b>	<b>0.93</b>
<b>Diluted Earning per Share:</b>		
Net Profit / (loss) after Tax	1,43,95,868	1,03,73,759
Add: Debenture Interest (Net of Tax)	12,43,200	15,60,105
Less: Preference Shares Dividend	-	-
Less: Dividend Distribution Tax on Preference Shares Dividend	-	-
	1,56,39,068	1,19,33,864
Weighted Average No. of Equity Shares of Rs. 10/- each as on 31st March	1,13,11,111	1,12,11,933
<b>Add: Potential number of Equity Shares that could arise on :</b>		
(i) Conversion of 14% Unsecured Compulsory Convertible Debentures	4,00,000	4,00,000
Weighted Average number of Equity Shares	1,17,11,111	1,16,11,933
<b>Diluted Earning Per Share</b>	<b>1.34</b>	<b>1.03</b>
<b>Basic Earning per Share</b>	<b>1.27</b>	<b>0.93</b>
<b>Diluted Earning Per Share*</b>	<b>1.27</b>	<b>0.93</b>

\* Since the diluted EPS of Rs.1.34/- is anti dilutive, its restricted to basic EPS



## Notes to the Financial Statements

## Note 25 Contingent Liabilities &amp; Commitments

## 25.1 Contingent Liabilities

Particulars	As at 31/03/2019	As at 31/03/2018
<b>a) Claims against the Company not acknowledged as debt</b>		
i) Disputed Claims against Company, not provided for.	12,74,371	10,41,463
<b>b) Others for which the Company is contingently liable</b>		
Disputed tax demanded under various assessment proceedings due to disallowance of various expenses, tax rebates, etc and contested by the Company at appellate authorities	1,17,46,822	1,17,46,822
	<b>1,30,21,193</b>	<b>1,27,88,285</b>

## 25.2 Details of Arrears of Dividend on Preference Shares

a) On 9% Cumulative Redeemable Preference Shares	2,83,50,000	2,43,00,000
b) On 4% Cumulative Redeemable Preference Shares, Redeemable with Premium of 5% per year or part of year	30,08,219	24,08,219
c) On 4% Cumulative Redeemable Preference Shares	34,14,795	26,14,795

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

Particulars	Balance as at 01/04/2018	Additions during the year	Amounts paid during the year	Amounts reversed during the year	Balance as at 31/03/2019
Provision for Leave Salary (Refer Note 21.2)	5,09,033	2,92,188	5,09,033	-	2,92,188
(Previous Year)	(2,44,848)	(5,09,033)	(2,44,848)	(-)	(5,09,033)
Provision for Diminution in Value of Investments	(-)	40,14,370	(-)	(-)	40,14,370
(Previous Year)	(-)	(-)	(-)	(-)	(-)
Provision for Doubtful loan in Value of Investments	(-)	29,44,001	(-)	(-)	29,44,001
(Previous Year)	(-)	(-)	(-)	(-)	(-)



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

Notes to the Financial Statements

**27 SEGMENT REPORTING**

The primary and secondary reportable segments are business segments and geographical segments

Business Segments:

- a. Securities & Stock broking and other related services
- b. Advisory and Consultancy services

Particulars	2018-19		
	Securities & Stock broking and other related services	Advisory and Consultancy	Total
<b>Segment Revenue:</b>			
External revenue	27,36,15,464	5,46,67,500	32,82,82,964
<b>Segment Results</b>	(3,10,65,464)	4,34,09,359	1,23,43,895
Less: Interest expense			2,21,34,936
Add: Other Income			2,41,30,695
<b>Total profit / (loss) before tax</b>			1,43,39,654
<b>Capital employed</b>			
Segment Assets	1,13,50,10,579	4,59,08,668	1,18,09,19,247
Unallocable assets			-
<b>Total Assets</b>			1,18,09,19,247
Segment liabilities	1,01,18,72,100	-	1,01,18,72,100
Unallocable liabilities			-
<b>Total liabilities</b>			1,01,18,72,100
Segment Capital Employed	12,31,38,479	4,59,08,668	16,90,47,147
Unallocable			-
<b>Total Capital Employed</b>			16,90,47,147
Capital Expenditure			1,32,17,227
Depreciation			82,59,466
Non-cash expenses			-

The disclosure under Secondary Segment Reporting (by geographic segments) is as under:

Particulars	Domestic (In India)	Exports to USA	Total
Segment Revenue	27,57,75,464	5,25,07,500	32,82,82,964
	(37,82,57,847)	(-)	(37,82,57,847)
Total Carrying Value of Segment Assets	*	*	*
Capital Expenditure	*	*	*

(Figures in bracket relates to previous period)



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

Notes to the Financial Statements

**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
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**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
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
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
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

**d. Transactions during the year:**

Sr. Nu	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	Loan Given to Nucleus IT Enabled Services Limited	6,94,00,000 (3,44,00,000)	- (-)	- (-)	- (-)	- (-)	6,94,00,000 (3,44,00,000)
2	Loan Received back from Nucleus IT Enabled Services Limited	6,39,00,000 (8,74,00,000)	- (-)	- (-)	- (-)	- (-)	6,39,00,000 (8,74,00,000)
3	Loan Given to Asit C Mehta Commodity Services Ltd.	- (-)	9,95,52,000 (3,76,00,000)	- (-)	- (-)	- (-)	9,95,52,000 (3,76,00,000)
4	Loan Received Back from Asit C. Mehta Commodity Services Ltd.	- (-)	8,00,00,000 (3,98,30,472)	- (-)	- (-)	- (-)	8,00,00,000 (3,98,30,472)
5	Loan given to Asit C Mehta Comdex DMCC	- (90,228)	- (-)	- (-)	- (-)	- (-)	- (90,228)
6	Loan Received from Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	10,50,000 (21,50,000)	- (-)	10,50,000 (21,50,000)
7	Loan paid from Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	10,50,000 (21,50,000)	- (-)	10,50,000 (21,50,000)
8	Deposit Given to Asit C Mehta Financial Services Limited for Additional Premises	- (-)	- (-)	10,00,000 (-)	- (-)	- (-)	10,00,000 (-)
9	Deposit received back from Asit C Mehta Financial Services Limited for Additional Premises	- (-)	- (-)	10,00,000 (-)	- (-)	- (-)	10,00,000 (-)

(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
	<b>Income /Recoveries</b>						
10	Interest Income from Asit C Mehta Commodity Services Ltd.	- (-)	29,88,560 (41,00,204)	- (-)	- (-)	- (-)	29,88,560 (41,00,204)
11	Interest Income from Nucleus IT Enabled Services Limited.	8,89,438 (11,08,474)	- (-)	- (-)	- (-)	- (-)	8,89,438 (11,08,474)
	<b>Expenditure</b>						
12	Leave and License Fees paid to Asit C. Mehta Financial Services Limited	- (-)	- (-)	2,01,60,000 (1,65,60,000)	- (-)	- (-)	2,01,60,000 (1,65,60,000)
13	Leave and License Fees paid to Deena Mehta	- (-)	- (-)	- (-)	- (-)	14,40,000 (14,40,000)	14,40,000 (14,40,000)
14	Leave and License Fees paid to Asit Mehta	- (-)	- (-)	- (-)	- (-)	7,20,000 (7,20,000)	7,20,000 (7,20,000)
15	Professional Fees paid to Fellow Subsidiary	1,98,770 (9,89,254)	- (-)	- (-)	- (-)	- (-)	1,98,770 (9,89,254)
	Arbitrage Share / Brokerage paid to Asit C Mehta Commodity Services Limited	- (-)	7,81,297 (4,65,000)	- (-)	- (-)	- (-)	7,81,297 (4,65,000)
16	Remuneration (Including Contribution to PF)	- (-)	- (-)	- (-)	- (-)	71,04,723 (69,08,558)	71,04,723 (69,08,558)
17	Reimbursement of Expenses	- (-)	1,11,944 (-)	21,134 (-)	- (-)	- (-)	1,33,078 (-)
18	Professional Fees paid to Tipstop Software Private Limited	- (-)	- (60,000)	- (-)	- (-)	- (-)	- (60,000)
19	Marketing Expenses, training and staff recruitments expenses to Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	41,38,500 (28,47,895)	- (-)	41,38,500 (28,47,895)
20	Interest paid to Edgytal Digital Marketing Private Limited	- (-)	- (-)	- (-)	2,143 (31,270)	- (-)	2,143 (31,270)
21	Interest on Debentures to Asit C. Mehta & Deena Asit Mehta	- (-)	- (-)	- (-)	- (-)	16,80,000 (21,01,151)	16,80,000 (21,01,151)

(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	35,00,000 (75,14,370)	2,42,00,000 (2,42,00,000)	- (-)	- (-)	- (-)	2,77,00,000 (3,17,14,370)
2	Deposits for Premises	- (-)	- (-)	2,62,51,740 (2,62,51,740)	- (-)	4,30,00,000 (4,30,00,000)	6,92,51,740 (6,92,51,740)
3	Amounts Receivable from Nucleus It Enabled Services Limited	55,00,000 (-)	- (-)	- (-)	- (-)	- (-)	55,00,000 -
4	Amount Receivable from Asit C. Mehta Commodity Services Ltd.	- -	2,08,22,687 (75,00,000)	- (-)	- (-)	- (-)	2,08,22,687 (75,00,000)
5	Receivable on Loan account	- (29,44,001)	- (-)	- (-)	- (-)	- (-)	- (29,44,001)

(Figures in brackets relate to previous year)





**ASIT C. MEHTA INVESTMENT INTERRMEDIATES LTD.**

Notes to the Financial Statements

29 Earnings in foreign currency (on accrual basis)

Particulars	As at 31/03/2019	As at 31/03/2018
Consultancy Service	5,25,07,500	-

30 Expenditure in Foreign Currency

Particulars	As at 31/03/2019	As at 31/03/2018
Travelling Expenses	2,07,793	-

31 Disclosure of Derivatives:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Trade Receivables	USD 6,60,000	4,57,90,668 INR
	(-)	(-)

(Figures in bracket relates to previous period)

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

AS PER OUR REPORT OF EVEN DATE

For Manek & Associates  
Chartered Accountants  
FRN : 0126679W

Shailesh L. Manek  
Proprietor  
Membership No. 34925



PLACE : MUMBAI  
DATED : 22nd May 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(DEENA A. MEHTA)  
Managing Director

(KIRIT H. VORA)  
Whole Time Director

(PANKAJ PARMAR)  
Chief Financial Officer