

INDEPENDENT AUDITORS' REPORT

To

The Members of BRAHMAPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**Report on the Financial Statements**

We have audited the accompanying financial statements of **BRAHMAPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its loss and its cash flows for the year ended on that date.

Without qualifying our opinion we draw attention on the following matters:

The Policy for demand Loan given by the Company as to the repayment, interest servicing and monitoring of the loans need to be strengthened in line with Non Banking Financial (Non Deposit Accepting) Companies Prudential Norms(Reserve Bank Directions, 2007).These loans are repayable either on maturity or on demand as mutually agreed by the lender and borrower.

Report on Other Legal and Regulatory Requirements

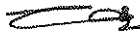
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the "**Annexure-A**" a statement on the matters specified in the paragraph 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors of the company are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure- B**.



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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 17 of the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There was no amount which was required to be transferred by the Company to the Investor Education and Protection Fund.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G. K. Aggarwal
Partner
M. No. 086622



Date:
Place: New Delhi

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **BRAHMAPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED** on the accounts for the year ended March 31, 2018)

1. The Company does not have any fixed assets. Accordingly, the provisions of clause 3 (i) (a), (b) & (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
2. According to the information and explanations given to us and on the basis of our examinations of the records of the Company, physical verification of the shares which are unquoted has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
3. In our opinion and according to information and explanations given to us, the Company has not 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provision of Section 185 and 186 of the Act, with respect to loan granted, however Company has neither made any investment nor given any guarantee.
5. According to the information and explanations given to us and the records examined by us, the Company has not accepted any deposits from the public during the year. Accordingly, the provision of clause 3 (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
6. As per the information and explanations furnished to us, the company has only investment activity. Hence, the clause 3 (vi) of the order with respect to maintenance of cost records as specified by the Central Government under sub-section (i) of section 148 of the Companies Act, 2013 is not applicable to the company.
7. (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues as applicable to the Company i.e. provident fund, income tax and service tax. On the basis of verification and as explained to us, the Company does not have any liability for employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess or other statutory dues etc.. There are no arrears as at 31st March, 2018 for a period of more than six months from the date they become payable.



(b) The due in respect of income tax that has not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

S.No	Name of the Statute	Assessment year	Amount (Rs.)	Forum where dispute was pending
1	Income tax Act,1961	2007-08	46,66,661/-	Hon'ble Delhi High Court
2	Income tax Act,1961	2007-08	66,44,900/-	ITAT, New Delhi
3	Income tax Act,1961	2008-09	99,63,392/-	ITAT, New Delhi
4	Income tax Act,1961	2009-10	96,63,960/-	ITAT, New Delhi
5	Income tax Act,1961	2010-11	28,45,610/-	ITAT, New Delhi

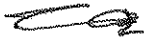
On the basis of verification and as explained to us, the Company does not have any liability for sales tax, service tax, duty of customs, duty of excise or value added.

8. According to the information and explanations given to us, the Company has not taken any loan from financial institution, bank, government and debenture holder. Therefore, clause 3 (viii) of the Order with respect to default of repayment is not applicable to the Company.
9. The Company has not raised any money by way of initial public offer or further public offer or debt instruments. Also the Company does not have any term loan during the year. Accordingly, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration. Accordingly, the provisions of Section 197 read with Schedule V of the Companies Act, 2013 and provisions of clause 3 (xi) of the Order are not applicable to the Company.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. The Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.



- 15 According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16 The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the company has taken registration under the said section.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
M. No. 086622



Date:
Place: New Delhi

ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended March 31, 2018.

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 **BRAHMAPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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. (The "Act" or the "Companies Act").

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 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

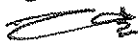
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 ICAI.

For N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N



G. K. Aggarwal

Partner

M. No. 086622

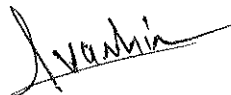


Date:

Place: New Delhi

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**BALANCE SHEET AS AT 31st MARCH, 2018**

DESCRIPTION	NOTE NO.	AS AT	AS AT
		31st MARCH, 2018 (Amount in Rs.)	31st MARCH, 2017 (Amount in Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	2	425,900,000	425,900,000
(b) Reserves and Surplus	3	(96,021,135)	(65,214,782)
		<u>329,878,865</u>	<u>360,685,218</u>
(2) Current Liabilities			
(a) Other Current Liabilities	4	37,760	33,600
(b) Short Term provisions	5	34,071,084	854,000
		<u>34,108,844</u>	<u>887,600</u>
TOTAL		<u>363,987,708</u>	<u>361,572,818</u>
II. ASSETS			
Current Assets			
(a) Inventories	6	19,697,836	18,681,752
(b) Cash and Cash Equivalent	7	105,564	254,069
(c) Short-term Loans and Advances	8	337,614,482	341,599,902
(d) Other current assets	9	6,569,826	1,037,095
		<u>363,987,708</u>	<u>361,572,818</u>
TOTAL		<u>363,987,708</u>	<u>361,572,818</u>

SIGNIFICANT ACCOUNTING POLICIES AS PER NOTE - (1)**ACCOMPANYING NOTES ARE FORMING PART OF FINANCIAL STATEMENT****AS PER OUR REPORT OF EVEN DATE ATTACHED****FOR N.C. AGGARWAL & CO.****CHARTERED ACCOUNTANTS****Firm Regn No. : 003273N****G. K. AGGARWAL****(PARTNER)****M.No. 086622****PLACE : NEW DELHI****DATED :****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS****(VED VASHISTH)****DIRECTOR****DIN-00045993****(P.D. SHARMA)****DIRECTOR****DIN-00028298****DIMPLE CHOUDHARI**
COMPANY SECRETARY
M.NO-A38984

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

DESCRIPTION	NOTE NO.	FOR THE YEAR	FOR THE YEAR
		ENDED 31st MARCH, 2018	ENDED 31st MARCH, 2017
		(Amount in Rs.)	(Amount in Rs.)
I. Revenue From Operations	10	2,027,311	3,845,083
II. Other Income	11	904,000	1,353,023
		2,931,311	5,198,106
III. Expenses			
(Increase)/Decrease in Stock	12	(1,016,084)	21,249,084
Employee Benefit Expenses	13	66,000	66,000
Finance Cost	14	-	3,619,122
Other Expenses	15	131,664	148,716
Provision for Standard and Sub-Standard Assets		760,760	854,000
Provision for Doubtful debt		33,310,324	-
		33,252,664	25,936,922
Profit/(Loss) for the year Before Tax (III-V)		(30,321,353)	(20,738,816)
Less: Provision for Income Tax		485,000	160,000
Profit/(Loss) for the year After Tax		(30,806,353)	(20,898,816)
Earnings Per Equity Share (Basic & Diluted, Face Value Rs. 10/-)		(0.72)	(0.49)

SIGNIFICANT ACCOUNTING POLICIES AS PER NOTE - (1)

ACCOMPANYING NOTES ARE FORMING PART OF FINANCIAL STATEMENT

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR N.C. AGGARWAL & CO.
 CHARTERED ACCOUNTANTS
 Firm Regn No. : 003273N

G. K. AGGARWAL
 (PARTNER)
 M.No. 086622



PLACE : NEW DELHI
 DATED :

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VED VASHISTH)
 DIRECTOR
 DIN-00045993

(P.D. SHARMA)
 DIRECTOR
 DIN-00028298

DIMPLE CHOUDHARI
 COMPANY SECRETARY
 M.NO-A38984

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

1) SIGNIFICANT ACCOUNTING POLICIES

I. Accounting Convention and basis of preparation

The financial statements of the Company have been prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principal in India (Indian GAAP) and Accounting Standard (AS) under Section 133 of Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule 2014 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

II. Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets & liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

III. Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any attributable cost of bringing the asset to their working condition for their intended use. Depreciation is provided based on useful life of the assets as prescribed Part C of schedule II to the Companies Act 2013.

IV. Revenue Recognition

- a) Interest income from financing and investing activities and other is recognised on accrual basis. In terms of RBI Direction, 2015 interest income on non performing assets (NPA's) is recognised only when it is actually realised.
- b) Dividend income on equity shares is recognised when the right to receive the dividend is unconditional as at the balance sheet. In terms of RBI Direction, 2015 wherever applicable, dividend income on units of mutual fund(s) held by the company are recognised on cash basis as per the RBI Direction.
- c) All other income is accounted for on accrual basis.

V. Loans and Advances

Loans and Advances are classified as performing and non-performing assets and provision are made in accordance with prudential norms prescribed under NBFC Prudential Norms (RBI) Direction 2007.

VI. Investments

Securities which are intended to be held for long term classified as Long Term Investments. Investments are capitalized and accounted at the cost plus brokerage and stamp charges. Provision for diminution in value is made in case the same is other than temporary. Profit or losses on investments are accounted as and when realized.

VII. Stock in Trade

Quoted Shares - Shares held as stock in trade are valued at lower of cost or market price.
Other Shares - Shares held as stock in trade are valued at lower of cost or book value of shares



VIII. Non-Performing Assets

Advances are classified as "Performing Assets" and "Non-Performing Assets" as per the directions issued by the Reserve Bank of India. Provisions for Advances is made as per the directions issued by the Reserve Bank of India.



DESCRIPTION	AS AT 31/03/2018	AS AT 31/03/2017
(2) SHARE CAPITAL		
AUTHORISED		
4,40,00,000 (P. Y. 4,40,00,000) Equity Shares of Rs. 10/- Each	440,000,000	440,000,000
ISSUED, SUBSCRIBED & PAID UP:		
4,25,90,000 (P. Y. 4,25,90,000)Equity Shares of Rs. 10/- Each Fully Paid Up	425,900,000	425,900,000
	425,900,000	425,900,000

(a)Details of equity shareholders holding more than 5% shares in the company:

Name of Shareholders	No. of Shares Held	% of holding as at 31.3.2018	No. of Shares Held	% of holding as at 31.3.2017
Nalwa Sons Investments Limited	21,337,490	50.10	21,337,490	50.10
Jindal Steel & Power Limited	19,200,000	45.08	19,200,000	45.08

(b)Reconciliation of paidup share capital:

Equity Shares	As at 31.03.2018		As at 31.03.2017	
	Number	Amount	Number	Amount
Shares outstanding as at the beginning of the year	42,590,000	425,900,000	42,590,000	425,900,000
Add: Shares Issued during the year	-	-	-	-
Less: Shares reduced during the year	-	-	-	-
Shares outstanding as at the end of the year	42,590,000	425,900,000	42,590,000	425,900,000

(c) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.



BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2018

DESCRIPTION	AS AT 31/03/2018	AS AT 31/03/2017
<u>(3) RESERVES & SURPLUS</u>		
<u>Reserve Fund u/s 45IC of RBI Act:-</u>		
Opening Balance	1,530,000	1,530,000
Addition during the year	-	-
Total (A)	1,530,000	1,530,000
 <u>Profit & Loss Account</u>		
Opening Balance	(66,744,782)	(45,845,966)
Add:: Profit/(Loss) During the year	(30,806,353)	(20,898,816)
Less: Transfer to Reserve Fund 45IC	-	-
Total (B)	(97,551,135)	(66,744,782)
 Total (A+B)	 (96,021,135)	 (65,214,782)
 <u>(4) OTHER CURRENT LIABILITIES</u>		
Other current Liabilities	34,560	33,600
TDS Payable	3,200	-
	37,760	33,600
 <u>(5) SHORT TERM PROVISIONS</u>		
Provision for Standard Assets	760,760	854,000
Provision for Doubtful Assets	33,310,324	-
	34,071,084	854,000



BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2018

(6) STOCK IN TRADE (CERTIFIED BY MANAGEMENT)

EQUITY SHARES IN BODIES CORPORATES

S.No.	PARTICULARS	FACE VALUE Fully Paid up	AS AT 31/03/2018		AS AT 31/03/2017	
			NO.OF SHARES	AMOUNT (Rs.)	NO.OF SHARES	AMOUNT (Rs.)
	<i>Equity Shares (UNQUOTED)</i>					
1	Renuka Financial Services Limited	10	1,500,000	15,000,000	1,500,000	15,000,000
2	Goswamis Credits & Investment Limited	10	1,427,200	14,272,000	1,427,200	14,272,000
3	Manjula Finances Limited	10	2,010,000	20,100,000	2,010,000	20,100,000
4	Everplus Securities & Finance Limited	10	710,000	7,100,000	710,000	7,100,000
	Less : Provision for Diminution in value of Stock			(36,774,164)		(37,790,248)
	TOTAL			19,697,836		18,681,752



BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2018**

DESCRIPTION	AS AT 31/03/2018	AS AT 31/03/2017
<u>(7) CASH AND CASH EQUIVALENT</u>		
Cash In Hand	14,911	49,879
Balances With Scheduled Bank in Current Account	90,653	204,189
	<u>105,564</u>	<u>254,069</u>
<u>(8) SHORT TERM LOANS AND ADVANCES</u>		
-Unsecured, Considered good		
Loan to other parties	304,304,158	341,599,902
-Unsecured, Considered doubtful*		
Loan to other parties	33,310,324	-
	<u>337,614,482</u>	<u>341,599,902</u>
<u>(9) OTHER CURRENT ASSETS</u>		
Income Tax Recoverable (Net of Provision of Income Tax)	6,569,826	1,037,095
	<u>6,569,826</u>	<u>1,037,095</u>

* Full provision for doubtful asset has been disclosed in Note no-5



BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED, 31st MARCH, 2018

DESCRIPTION	FOR THE YEAR ENDED ON 31/03/2018	FOR THE YEAR ENDED ON 31/03/2017
(10) REVENUE FROM OPERATIONS		
Interest on Loan	2,027,311	3,845,083
	2,027,311	3,845,083
(11) OTHER INCOME		
Provision for Standard Assets W/back	854,000	993,023
Professional Income	50,000	360,000
	904,000	1,353,023
(12) CHANGE IN INVENTORIES OF STOCK IN TRADE		
Opening Stock		
In Equity Shares:	18,681,752	39,930,836
	18,681,752	39,930,836
Closing Stock		
In Equity Shares:	19,697,836	18,681,752
	19,697,836	18,681,752
NET (INCREASE)/DECREASE IN STOCK	(1,016,084)	21,249,084
(13) EMPLOYEE BENEFITS EXPENSES		
Remuneration to Employees	66,000	66,000
	66,000	66,000
(14) FINANCIAL COST		
Interest on Loan	-	3,619,122
	-	3,619,122
(15) OTHER EXPENSES		
Auditor's Remuneration	37,760	32,000
Bank Charges	2,186	5,662
Conveyance expenses	50,000	42,500
Legal & Professional Charges	13,750	21,450
Office Expenses	2,774	11,159
Registration & Filing Fees	12,244	23,338
Rent	12,000	12,000
Service Tax Expense	450	607
Appeal Fees	500	-
	131,664	148,716



16) **Taxes on Income**

- a) Current Tax : Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
b) Deferred Tax Assets has not been provided in view of the Materiality & Prudence.

17) **Provision, Contingent Liabilities and Contingent Assets**

There is a outstanding disputed income tax liability of Rs.395.94 lacs (P.Y.802.27 Lacs), for which no provision has been made.

18) **Basic and Diluted Earnings per Equity Share (AS-20):**

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - Earnings per equity share prescribed by the rule 7 of companies (Accounts) rule 2014, under section 133 of the Companies Act 2013. Basic earnings per equity share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share the net profit/(loss) after tax and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares

Basic & Diluted Earnings per equity share of the company is as under:

Amount (Rs.)

Particulars	31.03.2018	31.03.2017
Profit or (Loss) after Tax	(30,806,353)	(20,898,816)
Earnings available to Equity Shareholders (A)	(30,806,353)	(20,898,816)
Weighted Average No. of Share-Basic (B)	42,590,000	42,590,000
Add: Diluted Potential Equity Shares	-	-
Weighted Avg. No. of Equity Shares -Diluted (C)	42,590,000	42,590,000
Nominal Value per Share (Rs.)	10	10
Earnings per Share-Basic(Rs) (A/B)	(0.72)	(0.49)
Earnings per Share-Diluted(Rs) (A/C)	(0.72)	(0.49)

19) In compliance with Guidelines prescribed by Reserve bank of India for NBFC's, The company has :-

- a) In term of RBI notification no. RBI/2010-11/370DNBS.PD.CC.No 207-03.02.002-2010-11 dated January 17, 2011, every Non-Banking Financial Company is required to make an additional provision for standard asset at 0.25% of the outstanding assets. Accordingly, the company carrying a provision Rs.7,60,760/- (P.Y. Rs. 8,54,000/-) toward standard assets.
- b) appropriated 20.00% of the Net Profit i.e. Rs. Nil due to loss in current year (P.Y.Rs.Nil) to Special Reserve Fund U/s 45IC of Reserve Bank of India.



20) Related Party Transactions:- (AS-18 As identified by the Management)

- I. Holding Company – Nalwa Sons Investment Limited
- II. Fellow Subsidiary of Parent company-
- Jindal Steel & Alloys Limited
 - Jindal Holdings Limited
 - Jindal Stainless (Mauritius) Limited
 - Massillon Stainless Inc
- III. Key Management Personnel
- P.D. Sharma (Director)
 - Ved Vashisth (Director)
 - R.P.Jindal (Director)
 - Mahabir Prasad Gupta (CEO/CFO upto 31st July, 2017)
 - Dimple Choudhari (Company Secretary)

- a) Parties having control :-
Relationship - Holding Company

Name of Company	F.Y. 2017-2018	F.Y. 2016-2017
Nalwa Sons Investments Limited	Nil	Op. Bal. Rs.5,50,38,376/- Loan taken Rs.4,00,000/- Interest paid Rs.36,19,122/- Tds Deducted Rs.3,61,912/- Repayment Rs.5,86,95,586/- Closing Bal Rs.Nil

Relationship - Fellow Subsidiary of parent company

Name of Company	F.Y. 2017-2018	F.Y. 2016-2017
Jindal Steel & Alloys Limited	Transaction – Nil	Transaction – Nil
Jindal Holdings Limited	Transaction – Nil	Transaction – Nil
Jindal Stainless (Mauritius) Limited	Transaction – Nil	Transaction – Nil
Massillon Stainless Inc	Transaction – Nil	Transaction – Nil

- b) Key Management Personnel:-

Director's Name	F.Y. 2017-2018	F.Y. 2016-2017
P.D. Sharma	Director meeting fee-Rs.Nil	Director meeting fee-Rs.Nil
Ved Vashisth	Director meeting fee-Rs.Nil	Director meeting fee-Rs.Nil
R.P.Jindal	Director meeting fee-Rs.Nil	Director meeting fee-Rs.Nil

Company Secretary	F.Y. 2017-2018	F.Y. 2016-2017
Neeraj Bala	Remuneration Rs-33,000/-	Remuneration Rs-33,000/-
Dimple Choudhari	Remuneration Rs-33,000/-	Remuneration Rs-33,000/-

- 21) The Company is engaged in single segment of finance, Investment & Loans as defined in AS 17 hence segment reporting is not applicable.



22) The Policy for demand Loan given by the Company as to the repayment, Interest Servicing and monitoring of the Loans need to be strengthened in the line with Non-Banking Financial (Non Deposit Accepting) Companies Prudential Norms (Reserve Bank Directions, 2007). These loans are repayable either on annually or on demand as mutually agreed by the lender and borrower.

23) Detail of Provision for Non-Performing Assets on loans and advances

Doubtful Assets (Amount in Rs.)

Particular	2017-2018	2016-2017
Opening balance	--	--
Add: Provision made during the year	3,33,10,324	--
Less: Amount taken as bad debts	--	--
Closing Balance	3,33,10,324	--

24) Auditor's Remuneration

Particulars	F.Y. 2017-2018	F.Y. 2016-2017
As Auditors*	37,760/-	36,800/-
For Certification Matter	-	-
Total	37,760/-	36,800/-

*Audit fees inclusive of GST & Service Tax.

25) There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31st March, 2018.

26) Expenditure in Foreign Currency - NIL

27) Previous year's figures have been regrouped or re-arranged, wherever considered necessary and practicable.

For N.C. Aggarwal & Co.
Chartered Accountants
FRN.-003273N

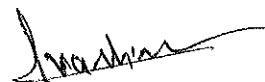


G.K. AGGARWAL
[Partner]
M.No.-086622



Place: New Delhi
Dated:

On Behalf of Board of Directors



Ved Vashisth
[Director]
DIN-00045993

P.D. Sharma
[Director]
DIN-00028298

Dimple Choudhari
Company Secretary
M.No-A38984

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**Grouping - 2018**

Short Term Loans and Advances	Amount
Everplus Securities & Fin. Ltd.	208,976,383
Manjula Finances Ltd.	33,310,324
Renuka Financial Services Limited	68,488,277
Jindal Infrastructure & Utilities Ltd	26,839,498
	<u>337,614,482</u>

Bank Balance	Amount
HDFC Bank	17,474
State Bank of India	47,046
Bank of Baroda	26,132
	<u>90,653</u>

Tax Deducted at Source	Amount
Income Tax F.Y. 2003-04	500,000
Income Tax Recoverable A/y 2003-04	17,699
Income Tax Recoverable A/y 2007-08	5,267,016
Income Tax Recoverable A/y 2016-2017	351,872
Income Tax Recoverable A/y 2017-2018	420,508
Income Tax Recoverable A/y 2018-2019	207,731
Income Tax Recoverable A/y 2010-2011	610,000
	<u>7,374,826</u>

Other Liabilities	Amount
Audit Fee Payable	34,560
	<u>34,560</u>

Office Expenses	Amount
Miscellaneous Expenses	2,644
Printing & Stationery	130
	<u>2,774</u>

PROVISION FOR STANDARD ASSETS	AMOUNT
Everplus Securities & Fin. Ltd.	208,976,383
Renuka Financial Services Limited	68,488,277
Jindal Infrastructure & Utilities Ltd	26,839,498
Total	<u>304,304,158</u>
Less : Provision @ .25%	<u>760,760</u>

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED
Depletion of Unlisted Securities for the year ended on 31/03/2018

Name of Script		No Shares	Cost	Book Value	Depletion rate	Provision for Depletion Value	Less Provision made upto 31/03/2017	Difference/(R eversal)
Renuka Financial Services Limited	10.00	1,500,000.00	15,000,000	3.56	6.44	9,660,000	7,800,000	1,860,000
Goswamis Credits & Investment Limite	10.00	1,427,200.00	14,272,000	7.13	2.87	4,096,064	10,832,448	(6,736,384)
Manjula Finances Limited	10.00	2,010,000.00	20,100,000	-	10.00	20,100,000	14,713,200	5,386,800
Everplus Securities & Finance Limited	10.00	710,000.00	7,100,000	5.89	4.11	2,918,100	4,444,600	(1,526,500)
Total Depletion			56,472,000			36,774,164	37,790,248	(1,016,084)