



## Independent Auditor's Report

To the Members of Brahmaputra Capital and Financial Services Limited

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Brahmaputra Capital and Financial Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.



MOBILE : +91-9911078005, E-mail : amar.mittal@sgcservices.com

FIRM REGISTRATION NO. 000643N/N500012

A-47, LOWER GROUND FLOOR,  
HAUZ KHAS, NEW DELHI-110016  
TEL : +91-11-41665400

C-43, SECTOR-3  
NOIDA-201301  
TEL : +91-0120-4049100



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.

### 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 March 31, 2017 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:

- (i) 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 and interest are repayable either on annually 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 Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
  - e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and
  - g) With respect to the other matters to be included in 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 finding litigation of Rs.199.67 lacs With Income Tax Authority, however it will not impact its financial position;
    - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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C-43, SECTOR-8  
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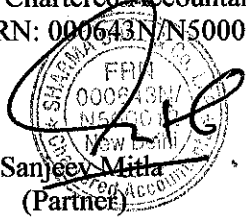




- III. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.
- IV. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the Company. (Refer Note No.23)

Place: New Delhi  
Date: 30/06/2017

For Sharma Goel & Co. LLP  
Chartered Accountants  
FRN: 000643N/N500012



Sanjeev Mittal  
(Partner)  
Membership No.: 086441

MOBILE : +91-9811078005, E-mail : amar.mital@sgcservices.com  
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C-43, SECTOR-8  
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**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditor's Report to the members of **Brahmputra Capital and Financial Services Limited** on the financial statement of the year ended March 31, 2017, we report that:

- i) The Company does not have any fixed Assets. Accordingly, Paragraph 3(i) of the order is not applicable.
- ii) 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.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, Paragraph 3(iii) of the order is not applicable.
- iv) 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.
- v) In our opinion, the Company has not accepted any deposits with the directive issued by Reserve Bank of India and provisions of Sections 73 to 76 or any other provisions of the Companies Act 2013 and the Rules framed there under. No order passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi) The Company is not required to maintain the cost records and accounts prescribed by the Central Government under Section 148(1) of the Companies Act 2013.
- vii) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales Tax, value added tax, duty of customs, service tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, to the extent applicable.  
According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable, wherever applicable.
- b) According to the information and explanation given to us, the dues outstanding of Income Tax as at 31<sup>st</sup> March, 2017 which have not been deposited on account of dispute are as follows: -

S.no.	Name of the Statute	Assessment Year	Amount (Rs.)	Forum where dispute was pending
1	Income Tax Act, 1961	2007-08	98,66,661	Supreme Court, New Delhi
2	Income Tax Act, 1961	2007-08	72,54,990	CIT(A), New Delhi
3	Income Tax Act, 1961	2010-11	28,45,610	CIT(A), New Delhi

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- viii) In our opinion, the Company does not have any loans or borrowings from any financial institution, banks and government. The Company has not issued any debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), and term loan during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is has not paid managerial remuneration .Accordingly, paragraph 3(xi) of the Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The Company has not made preferential allotment of equity shares. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is required to be registered under section 45-IA of Reserve bank of India Act 1934 and it is registered under section 45-IA of the Reserve Bank of India Act, 1934 vide Registration No. B-14.01136 dated September 15th, 1998.

Place: New Delhi  
Date: 30/06/2017

For Sharma Goel & Co. LLP  
Chartered Accountants  
FRN: 000643N/N500012



Membership No.:086441

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## Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Brahmputra Capital and Financial Services Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

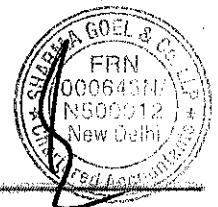
#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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



MOBILE : +91-9811078005, E-mail : amar.mittal@sgcservices.com

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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.

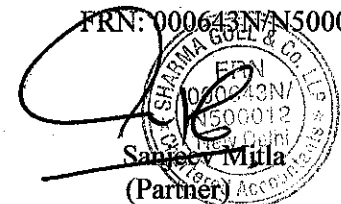
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

For Sharma Goel & Co. LLP  
Chartered Accountants  
FRN: 000643N/N500012



Membership No.: 086441

Place: New Delhi  
Date: 30/06/2017

MOBILE : +91-9811078005, E-mail : amar.mittal@sgcservices.com

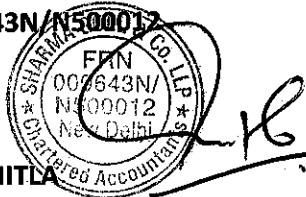
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**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED****BALANCE SHEET AS AT 31st MARCH, 2017**

DESCRIPTION	NOTE NO.	AS AT	AS AT
		31st MARCH, 2017 (Amount in Rs.)	31st MARCH, 2016 (Amount in Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	2	425,900,000	425,900,000
(b) Reserves & Surplus	3	(65,214,782)	(44,315,966)
		<u>360,685,218</u>	<u>381,584,034</u>
<b>(2) Current Liabilities</b>			
(a) Short Term borrowings	4	-	55,038,376
(b) Other Current Liabilities	5	33,600	591,630
(c) Short Term provisions	6	38,644,248	17,534,187
		<u>38,677,848</u>	<u>73,164,193</u>
<b>TOTAL</b>		<u><u>399,363,066</u></u>	<u><u>454,748,227</u></u>
<b>II. ASSETS</b>			
<b>Current Assets</b>			
(a) Inventories	7	56,472,000	56,472,000
(b) Cash and Cash Equivalent	8	254,069	285,833
(c) Short-term Loans and Advances	9	341,599,902	397,209,327
(d) Other current assets	10	1,037,095	781,067
		<u>399,363,066</u>	<u>454,748,227</u>
<b>TOTAL</b>		<u><u>399,363,066</u></u>	<u><u>454,748,227</u></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 SHARMA GOEL & CO. LLP****CHARTERED ACCOUNTANTS****FRN- 000643N/N500012**

**SANJEEV MITLA**  
(PARTNER)  
M.NO.-086441

PLACE : NEW DELHI  
DATED : 30/06/2017

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

(VED VASHISTH)  
DIRECTOR  
DIN-00045993

NEERAJ BALA  
M.NO-A39747

(P.D. SHARMA)  
DIRECTOR  
DIN-00028298

(MAHABIR PRASAD GUPTA)  
CEO/CFO

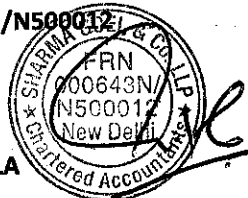


**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2017**

DESCRIPTION	NOTE NO.	FOR THE YEAR	FOR THE YEAR
		ENDED 31st MARCH, 2017	ENDED 31st MARCH, 2016
		(Amount in Rs.)	(Amount in Rs.)
I. Revenue From Operations	11	3,845,083	2,693,715
II. Other Income	12	1,353,023	1,711,662
		<u>5,198,106</u>	<u>4,405,377</u>
III. Expenses			
- Cost Of Stock in Trade			
Opening Stock		56,472,000	56,472,000
Closing Stock		<u>56,472,000</u>	<u>56,472,000</u>
(Increase)/Decrease in Stock		-	-
Employee Benefit Expenses	13	66,000	33,000
Finance Cost	14	3,619,122	4,153,751
Other Expenses	15	148,716	328,429
Provision for Standard & Sub-Standard Assets		854,000	993,023
Provision for Depletions of Stock		21,249,084	16,541,164
		<u>25,936,922</u>	<u>22,049,367</u>
<b>Profit/(Loss) Before Tax (III-V)</b>		(20,738,816)	(17,643,990)
Less: Provision for Income Tax		160,000	160,000
<b>Profit/(Loss) After Tax</b>		<u>(20,898,816)</u>	<u>(17,803,990)</u>
Less : Previous year tax adjustment		-	-
<b>Profit/(Loss) for the year</b>		<u>(20,898,816)</u>	<u>(17,803,990)</u>
Earnings Per Equity Share (Basic & Diluted, Face Value Rs. 10/-)		(0.49)	(0.42)

**SIGNIFICANT ACCOUNTING POLICIES AS PER NOTE - (1)**  
**ACCOMPANYING NOTES ARE FORMING PART OF FINANCIAL STATEMENT**  
**AS PER OUR REPORT OF EVEN DATE ATTACHED**

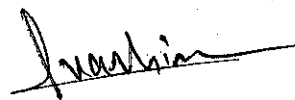
**FOR SHARMA GOEL & CO. LLP**  
**CHARTERED ACCOUNTANTS**

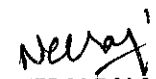
FRN- 000643N/N500012  
  
**SANJEEV MITLA**  
**(PARTNER)**


M.NO.-086441

PLACE : NEW DELHI  
DATED : 30/06/2017

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

  
**(VED VASHISTH)**  
**DIRECTOR**  
DIN-00045993

  
**NEERAJ BALA**  
M.NO-A39747

  
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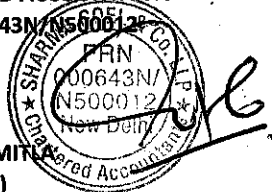
**BRAHMPUTRA CAPITAL & FINANCIAL SERVICES LIMITED**  
**Cash flow statement for the year ended March 31, 2017**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Cash flow from operating activities:</b>		
Net loss before tax	(20,738,816)	(17,643,990)
Adjustments for profit and loss account items:		
Depreciation	-	-
Interest expense	-	-
<b>Operating profit before working capital changes</b>	<b>(20,738,816)</b>	<b>(17,643,990)</b>
Adjustments for changes in working capital:		
(Increase)/decrease in Other Current Assets	(256,028)	(356,352)
(Increase)/decrease in loans and advances	55,609,425	(42,544,343)
(Increase)/decrease in inventories	-	-
Decrease/(increase) in other liabilities and provisions	20,552,031	17,203,200
<b>Cash generated from / (used in) operating activities</b>	<b>55,166,612</b>	<b>(43,341,485)</b>
Income tax paid	(160,000)	-
<b>Net cash used in operating activities</b>	<b>55,006,612</b>	<b>(43,341,485)</b>
<b>B. Cash flow from investing activities:</b>		
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from borrowings	-	43,538,376
Repayment of borrowing etc.	(55,038,376)	-
Interest Paid	-	-
<b>Net cash (used in)/ generated from financing activities</b>	<b>(55,038,376)</b>	<b>43,538,376</b>
<b>D. Increase/ (decrease) in cash and cash equivalents, net (A+B+C)</b>	<b>(31,764)</b>	<b>196,891</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>285,833</b>	<b>88,942</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>254,069</b>	<b>285,833</b>
Cash and cash equivalents includes:		
Cash in hand	49,879	52,087
Balances with scheduled banks		
In current accounts	204,189	233,746
	<b>254,069</b>	<b>285,833</b>

**Note:**

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

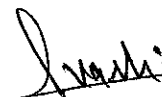
**FOR SHARMA GOEL & CO. LLP**  
**CHARTERED ACCOUNTANTS**  
 FRN- 000643N/NS00012





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 (PARTNER)  
 M.NO.-086441

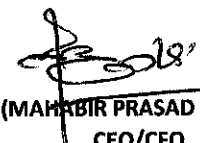
PLACE : NEW DELHI  
 DATED : 30/06/2017

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

  
 (VED VASHISTH)  
 DIRECTOR  
 DIN-00045993

  
 (P.D. SHARMA)  
 DIRECTOR  
 DIN-00028298

  
 NEERAJ BALA  
 COMPANY SECRETARY  
 M.NO-A39747

  
 (MAHABIR PRASAD GUPTA)  
 CEO/CFO

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**1) SIGNIFICANT ACCOUNTING POLICIES**

**a) 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.

**b) 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.

**c) 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.

**d) 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.

**e) 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.

**f) 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.

**g) 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



**h) 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 31/03/2017	AS AT 31/03/2016
<b>(2) SHARE CAPITAL</b>		
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 31.3.2017	No. of Shares Held	% of holding as at 31.3.2016
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 31.03.2017		As at 31.03.2016	
	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, 2017

DESCRIPTION	AS AT 31/03/2017	AS AT 31/03/2016
<b>(3) RESERVES &amp; SURPLUS</b>		
<u>Reserve Fund u/s 45IC of RBI Act:-</u>		
Opening Balance	1,530,000	1,530,000
Addition during the year	-	-
<b>Total (A)</b>	<b>1,530,000</b>	<b>1,530,000</b>
<b>Profit &amp; Loss Account</b>		
Opening Balance	(45,845,966)	(28,041,976)
Add:: Profit/(Loss) During the year	(20,898,816)	(17,803,990)
<b>Total (B)</b>	<b>(66,744,782)</b>	<b>(45,845,966)</b>
<b>Total (A+B)</b>	<b>(65,214,782)</b>	<b>(44,315,966)</b>
<b>(4) SHORT TERM BORROWINGS</b>		
<b>-Unsecured</b>		
Loan from Bodies Company	-	55,038,376
	-	55,038,376
<b>(5) OTHER CURRENT LIABILITIES</b>		
Other current Liabilities	33,600	591,630
	33,600	591,630
<b>(6) SHORT TERM PROVISIONS</b>		
Provision for Standard Assets	854,000	993,023
Provision for Depletions of Stock	37,790,248	16,541,164
	38,644,248	17,534,187

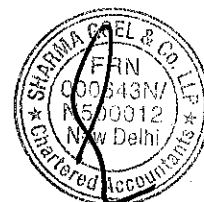


**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2017

**(7) STOCK IN TRADE (CERTIFIED BY MANAGEMENT)****EQUITY SHARES IN BODIES CORPORATES**

S.No.	PARTICULARS	FACE VALUE Fully Paid up	AS AT 31/03/2017		AS AT 31/03/2016	
			NO.OF SHARES	AMOUNT (Rs.)	NO.OF SHARES	AMOUNT (Rs.)
	<b><i>Equity Shares (UNQUOTED)</i></b>					
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
	<b>TOTAL</b>			<b>56,472,000</b>		<b>56,472,000</b>



**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED****NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2017**

<b>DESCRIPTION</b>	<b>AS AT 31/03/2017</b>	<b>AS AT 31/03/2016</b>
<b>(8) CASH AND CASH EQUIVALENT</b>		
Cash In Hand	49,879	52,087
Balances With Scheduled Bank in Current Account	204,189	233,746
	<u>254,069</u>	<u>285,833</u>
<b>(9) SHORT TERM LOANS AND ADVANCES</b>		
<b>-Unsecured</b>		
Loan to other parties	341,599,902	397,209,327
	<u>341,599,902</u>	<u>397,209,327</u>
<b>(10) OTHER CURRENT ASSETS</b>		
Income Tax Recoverable (Net of Provision of Income Tax)	1,037,095	776,587
Other Current Assets	-	4,480
	<u>1,037,095</u>	<u>781,067</u>





**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED, 31st MARCH, 2017

<b>DESCRIPTION</b>	<b>FOR THE YEAR ENDED ON 31/03/2017</b>	<b>FOR THE YEAR ENDED ON 31/03/2016</b>
<b>(11) REVENUE FROM OPERATIONS</b>		
Interest on Loan	3,845,083	2,693,715
	<u>3,845,083</u>	<u>2,693,715</u>
<b>(12) OTHER INCOME</b>		
Provision for Standard Assets W/back	993,023	886,662
Professional Income	360,000	825,000
	<u>1,353,023</u>	<u>1,711,662</u>
<b>(13) EMPLOYEE BENEFITS EXPENSES</b>		
Remuneration to Employees	66,000	33,000
	<u>66,000</u>	<u>33,000</u>
<b>(14) FINANCIAL COST</b>		
Interest on Loan	3,619,122	4,153,751
	<u>3,619,122</u>	<u>4,153,751</u>
<b>(15) OTHER EXPENSES</b>		
Auditor's Remuneration	32,000	32,000
Bank Charges	5,662	2,533
Conveyance expenses	42,500	35,000
Legal & Professional Charges	21,450	192,031
Office Expenses	11,159	2,287
Registration & Filing Fees	23,338	16,890
Rent	12,000	12,000
Service Tax Paid	607	25,688
Appeal Fees	-	10,000
	<u>148,716</u>	<u>328,429</u>



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.802.27 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	31.03.2017	31.03.2016
Profit or (Loss) after Tax	(20,898,816)	(17,803,990)
Earnings available to Equity Shareholders (A)	(20,898,816)	(17,803,990)
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)	(0.49)	(0.42)
Earnings per Share-Diluted(Rs) (A/C)	(0.49)	(0.42)

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.8,54,000/- (P.Y. Rs.9,93,023/-) 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 451C of Reserve Bank of India.



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

a) Parties having control :-  
Relationship - Holding Company

Name of Company	F.Y. 2016-17	F.Y. 2015-16
Nalwa Sons Investments Limited	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	Op. Bal. Rs.1,15,00,000/- Loan taken Rs.7,50,38,376/- Interest paid Rs.41,53,751/- Tds Deducted Rs.4,15,375/- Repayment Rs.3,15,00,000/- Closing Bal Rs.5,50,38,376/-

Relationship - Fellow Subsidiary

Name of Company	F.Y. 2016-17	F.Y. 2015-16
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

Relationship - Associates

Name of Company	F.Y. 2016-17	F.Y. 2015-16
Jindal Steel & Power Limited	Transaction – Nil	Transaction – Nil

b) Key Management Personal:-

Director's Name	F.Y. 2016-17	F.Y. 2015-16
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

GEO/CFO	F.Y. 2016-17	F.Y. 2015-16
Mahabir Prasad Gupta	Remuneration Rs-Nil	Remuneration Rs-Nil

Company Secretary	F.Y. 2016-17	F.Y. 2015-16
Neeraj Bala	Remuneration Rs-33,000/-	Remuneration Rs-Nil/-
Nisha Joshi	Remuneration Rs-Nil	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) Auditor's Remuneration

Particulars	F.Y. 2016-17	F.Y. 2015-16
As Auditors*	36,800/-	36,800/-
For Certification Matter	-	-
<b>Total</b>	<b>36,800/-</b>	<b>36,800/-</b>

\*Audit fees inclusive of Service Tax.



- 23) Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 are as follows:

Particulars	(SBN)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	5,000	43	5,043
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	5,000	-	5,000
(+) Cash Withdrawl from Bank	-	10,000	10,000
Closing cash in hand as on 30.12.2016	-	43	10,043

- 24) There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31<sup>st</sup> March, 2017.
- 25) Expenditure in Foreign Currency - NIL
- 26) Previous year's figures have been regrouped or re-arranged, wherever considered necessary and practicable.

For Sharma Goel & Co.LLP

Chartered Accountants

FRN:000643N/NS00012



Sanjeev Mittal

[Partner]

M.No.-086441

Place: New Delhi

Dated: 30/06/2017

On Behalf of Board of Directors

Ved Vashisth

[Director]

DIN-00045993

P.D. Sharma

[Director]

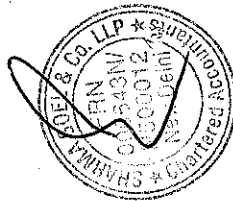
DIN-00028298

Neeraj Bala  
Company Secretary  
M.No-A39747

Mahabir Prasad Gupta  
CEO/CFO

**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**  
**Depletion of Unlisted Securities for the year ended on 31/03/2017**

Name of Script		No Shares	Cost	Book Value	Depletion rate	Provision for Depletion Value	Less Provision made upto 31/03/2016	Difference/(Reversal)
Renuka Financial Services Limited	10.00	1,500,000.00	15,000,000	4.80	5.20	7,800,000	-	7,800,000
Goswamis Credits & Investment Limite	10.00	1,427,200.00	14,272,000	2.41	7.59	10,832,448	4,096,064	6,736,384
Manjula Finances Limited	10.00	2,010,000.00	20,100,000	2.68	7.32	14,713,200	7,155,600	7,557,600
Everplus Securities & Finance Limited	10.00	710,000.00	7,100,000	3.74	6.26	4,444,600	5,289,500	(844,900)
<b>Total Depletion</b>			<b>56,472,000</b>			<b>37,790,248</b>	<b>16,541,164</b>	<b>21,249,084</b>



**BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED****Grouping - 2017**

<b>Short Term Loans and Advances</b>	<b>Amount</b>
Everplus Securities & Fin. Ltd.	208,976,383
Manjula Finances Ltd.	33,310,324
Renuka Financial Services Limited	68,488,277
Jindal Infrastructure & Utilities Ltd	30,824,918
	<u>341,599,902</u>

<b>Bank Balance</b>	<b>Amount</b>
HDFC Bank	17,474
State Bank of India	47,696
Bank of Baroda	139,020
	<u>204,189</u>

<b>Tax Deducted at Source</b>	<b>Amount</b>
Income Tax F.Y. 2003-04	500,000
Income Tax Recoverable A/y 2003-04	17,699
Income Tax Recoverable A/y 2007-08	67,016
Income Tax Recoverable A/y 2016-2017	351,872
Income Tax Recoverable A/y 2017-2018	420,508
	<u>1,357,095</u>

<b>Other Liabilities</b>	<b>Amount</b>
Audit Fee Payable	33,600
	<u>33,600</u>

<b>Office Expenses</b>	<b>Amount</b>
Miscellaneous Expenses	11,039
Printing & Stationery	120
	<u>11,159</u>

<b>PROVISION FOR STANDARD ASSETS</b>	<b>AMOUNT</b>
Everplus Securities & Fin. Ltd.	208,976,383
Manjula Finances Ltd.	33,310,324
Renuka Financial Services Limited	68,488,277
Jindal Infrastructure & Utilities Ltd	30,824,918
	<u>341,599,902</u>
Total	341,599,902
Less : Provision @ .25%	<u>854,000</u>

