

INDEPENDENT AUDITORS' REPORT

To

The Members of BRAHMAPUTRA CPAITAL AND FINANCIAL SERVICES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying standalone financial statement of **BRAHMAPUTRA CPAITAL AND FINANCIAL SERVICES LIMITED** ("the Company"), comprise the Balance Sheet as at March 31, 2019, 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.

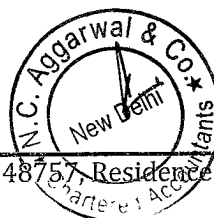
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with rule 3(2) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the Balance Sheet of the Company as at 31 March 2019, its statement of profit & loss and cash flow statement for the year ended 31 March 2019.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, Including the Accounting Standards specified under section 133 of the Act, read with rule 3(2) of the Companies (Indian Accounting Standards) Rules, 2015. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the 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 is also responsible for overseeing the Company's financial reporting process.

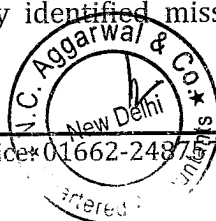
Auditors' Responsibility

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 skepticism 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 control 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 the 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.

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 standalone 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 standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 the paragraph 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 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 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 3(2) of the Companies (Indian Accounting Standard) Rules, 2015;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 **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:



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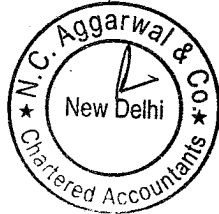
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note no. 17 of the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (h) The managerial remuneration for the year ended 31st March, 2019 has not been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

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



G. K. Aggarwal
Partner
M. No. 086622

Date: 29th June, 2019
Place: New Delhi



ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **BRAHMAPUTRA CPAITAL AND FINANCIAL SERVICES LIMITED** on the accounts for the year ended March 31, 2019)

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. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not given any loan, guarantee or securities to parties covered under section 185 of the Act. As informed to us by the management, the provision of Section 186 except sub-section (1) of the Act is not applicable to the Company. The Company has not made any investments through more than two layers of investment companies as mentioned in sub-section (1) of section 186 of the Act.
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.

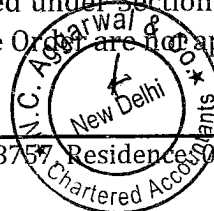


(b) The due in respect of income tax that has not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending is given below:

Name of the Statute	Period to which the amount relates	Forum where matter is pending	Amount In Rs.
Income Tax Act, 1961	A.Y. 2010-11	Hon'ble Supreme Court	22,35,610

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 private 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.



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- 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 vide Registration No. : B.01.00539 dated 13th September, 2014.

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



G. K. Aggarwal
Partner
M. No. 086622

Date: 29th June, 2019
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, 2019.

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 CPAITAL AND FINANCIAL SERVICES LIMITED** ("the Company") as of March 31, 2019 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

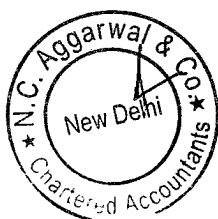
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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, 2019, 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: 29th June, 2019
Place: New Delhi

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

CIN-U74899GJ1994PLC065464

BALANCE SHEET AS AT 31st MARCH, 2019

DESCRIPTION	NOTE NO.	AS AT	AS AT
		31st MARCH, 2019 (Amount in Rs.)	31st MARCH, 2018 (Amount in Rs.)
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholders' funds			
(a) Share Capital	2	425,900,000	425,900,000
(b) Reserves and Surplus	3	(81,030,757)	(96,021,135)
		344,869,243	329,878,865
(2) Current Liabilities			
(a) Other Current Liabilities	4	42,532	37,760
(b) Short Term provisions	5	96,213	34,071,083
		138,745	34,108,843
TOTAL		345,007,988	363,987,708
<u>II. ASSETS</u>			
Current Assets			
(a) Inventories	6	298,332,000	19,697,836
(b) Cash and Cash Equivalent	7	102,529	105,564
(c) Short-term Loans and Advances	8	38,485,393	337,614,482
(d) Other current assets	9	8,088,066	6,569,826
		345,007,988	363,987,708
TOTAL		345,007,988	363,987,708

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 : 29/06/2019



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(VED VASHISTH)

DIRECTOR

DIN-00045993

(MANU AGGARWAL)

COMPANY SECRETARY

M.NO-24831

(P.D. SHARMA)

DIRECTOR

DIN-00028298

(DEEPAK GARG)

CEO/CFO

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

CIN-U74899GJ1994PLC065464

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

DESCRIPTION	NOTE NO.	FOR THE YEAR ENDED 31st MARCH, 2019	FOR THE YEAR ENDED 31st MARCH, 2018
		(Amount in Rs.)	(Amount in Rs.)
I. Revenue From Operations	10	1,732,132	2,027,311
II. Other Income	11	1,409,382	904,000
		3,141,514	2,931,311
III. Expenses			
Purchase		298,332,000	-
(Increase)/Decrease in Stock	12	(298,332,000)	-
Employee Benefit Expenses	13	69,000	66,000
Finance Cost	14	17,680	-
Other Expenses	15	912,034	131,664
Provision for Standard and Sub-Standard Assets		-	760,760
Provision for Doubtful debt		-	33,310,323
Provision/(Reversal) for Diminution in value of Stock		19,697,836	(1,016,084)
Provision for Doubtful Assets W/back		(33,310,323)	-
		(12,613,773)	33,252,664
Profit/(Loss) for the year Before Tax		15,755,287	(30,321,353)
Less: Provision for Income Tax		577,000	485,000
Previous year tax Adjustments		187,909	-
Profit/(Loss) for the year After Tax		14,990,378	(30,806,353)
Earnings Per Equity Share (Basic & Diluted, Face Value Rs. 10/-)		0.35	(0.72)

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 : 29/06/2019****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS****(VED VASHISTH)****DIRECTOR****DIN-00045993****(MANU AGGARWAL)****COMPANY SECRETARY****M.NO-24831****(P.D. SHARMA)****DIRECTOR****DIN-00028298****(DEEPAK GARG)****CEO/CFO**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities:		
Net loss before tax	15,755,287	(30,321,353)
Adjustments for profit and loss account items:		
Provision for Doubtful Debt	(33,310,323)	33,310,323
Provision for diminution in stock in trade	(664,547)	-
Provision for standards assets written back	(18,219,584)	2,988,971
Operating profit before working capital changes		
Adjustments for changes in working capital:		
(Increase)/decrease in Other Current Assets	(1,725,000)	-
(Increase)/decrease in loans and advances	299,129,089	3,985,420
(Increase)/decrease in inventories	(278,634,164)	(1,016,084)
Decrease/(increase) in other liabilities and provisions	4,772	(89,080)
Cash generated from / (used in) operating activities	555,113	5,869,226
Income tax paid	(558,149)	(6,017,731)
Net cash used in operating activities	(3,035)	(148,505)
B. Cash flow from investing activities:	-	-
Net cash used in investing activities	-	-
C. Cash flow from financing activities:		
Proceeds from borrowings	-	-
Repayment of borrowing etc.	-	-
Interest Paid	-	-
Net cash (used in)/ generated from financing activities	-	-
D. Increase/ (decrease) in cash and cash equivalents, net (A+B+C)	(3,035)	(148,505)
E. Cash and cash equivalents at the beginning of the year	105,564	254,069
F. Cash and cash equivalents at the end of the year (D+E)	102,529	105,564
Cash and cash equivalents includes:		
Cash in hand	21,667	14,911
Balances with scheduled banks	80,862	90,653
In current accounts	102,529	105,564

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 N.C. AGGARWAL & CO
CHARTERED ACCOUNTANTS
FRN- 003273N

G.K.AGGARWAL
(PARTNER)
M.NO.-086622



PLACE : NEW DELHI
DATED : 29/06/2019

FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS

(VED VASHISTH)
DIRECTOR
DIN-00045993

(P.D. SHARMA)
DIRECTOR
DIN-00028298

(MANU AGGARWAL)
COMPANY SECRETARY
M.NO-24831

(DEEPAK GARG)
CEO/CFO

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

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 31/03/2019 AS AT 31/03/2018

(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 31.3.2019	No. of Shares Held	% of holding as at 31.3.2018
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 31.03.2019		As at 31.03.2018	
	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, 2019**

DESCRIPTION	AS AT 31/03/2019	AS AT 31/03/2018
<u>(3) RESERVES & SURPLUS</u>		
Reserve Fund u/s 45IC of RBI Act:-		
Opening Balance	1,530,000	1,530,000
Addition during the year	3,000,000	-
Total (A)	4,530,000	1,530,000
<u>Profit & Loss Account</u>		
Opening Balance	(97,551,135)	(66,744,782)
Add:: Profit/(Loss) During the year	14,990,378	(30,806,353)
Less: Transfer to Reserve Fund 45IC	(3,000,000)	-
Total (B)	(85,560,757)	(97,551,135)
Total (A+B)	(81,030,757)	(96,021,135)
<u>(4) OTHER CURRENT LIABILITIES</u>		
Other current Liabilities	37,800	34,560
TDS Payable	4,732	3,200
	42,532	37,760
<u>(5) SHORT TERM PROVISIONS</u>		
Provision for Standard Assets	96,213	760,760
Provision for Doubtful Assets	-	33,310,323
	96,213	34,071,083



BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2019

(6) STOCK IN TRADE (CERTIFIED BY MANAGEMENT)

EQUITY SHARES IN BODIES CORPORATES

S.No.	PARTICULARS	FACE VALUE Fully Paid up	AS AT 31/03/2019		AS AT 31/03/2018	
			NO.OF SHARES	AMOUNT (Rs.)	NO.OF SHARES	AMOUNT (Rs.)
	<u>Equity Shares (UNQUOTED)</u>					
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			(56,472,000)		(36,774,164)
	TOTAL (A)			-		19,697,836

PREFERENCE SHARES IN BODIES CORPORATES

S.No.	PARTICULARS	FACE VALUE Fully Paid up	AS AT 31/03/2019		AS AT 31/03/2018	
			NO.OF SHARES	AMOUNT (Rs.)	NO.OF SHARES	AMOUNT (Rs.)
	<u>Preference Shares (UNQUOTED)</u>					
1	Jindal Realty Private Limited (3% Cumulative Redeemable Preference Shares)	100	242,000	24,200,000	-	-
2	Jindal Petroleum Limited (7% Cumulative Redeemable Preference Shares)	100	599,320	59,932,000	-	-
3	Glebe Trading Private Limited (1% Redeemable Preference Shares)	100	7,000	700,000	-	-
4	Jagran Developers Private Limited (3% Cumulative Redeemable Preference Shares)	100	1,020,000	102,000,000	-	-
5	Minerals Management Services (I) Private Limited (7% Cumulative Redeemable Preference Shares)	100	1,115,000	111,500,000	-	-
	TOTAL (B)			298,332,000		-

GRAND TOTAL(A+B)				298,332,000		19,697,836
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BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENT AS AT 31st MARCH, 2019**

DESCRIPTION	AS AT 31/03/2019	AS AT 31/03/2018
<u>(7) CASH AND CASH EQUIVALENT</u>		
Cash In Hand	21,667	14,911
Balances With Scheduled Bank in Current Account	80,862	90,653
	<u>102,529</u>	<u>105,564</u>
<u>(8) SHORT TERM LOANS AND ADVANCES</u>		
-Unsecured, Considered good		
Loan to other parties	38,485,393	304,304,158
-Unsecured, Considered doubtful*		
Loan to other parties	-	33,310,323
	<u>38,485,393</u>	<u>337,614,482</u>
<u>(9) OTHER CURRENT ASSETS</u>		
Income Tax Recoverable (Net of Provision of Income Tax)	6,363,066	6,569,826
Investment in units	1,725,000	-
	<u>8,088,066</u>	<u>6,569,826</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, 2019**

DESCRIPTION	FOR THE YEAR ENDED ON 31/03/2019	FOR THE YEAR ENDED ON 31/03/2018
<u>(10) REVENUE FROM OPERATIONS</u>		
Interest on Loan	1,725,132	2,027,311
Dividend Income	7,000	-
	<u>1,732,132</u>	<u>2,027,311</u>
<u>(11) OTHER INCOME</u>		
Provision for Standard Assets W/back	664,547	854,000
Professional Income	740,000	50,000
Interest on income tax refund	4,835	-
	<u>1,409,382</u>	<u>904,000</u>
<u>(12) CHANGE IN INVENTORIES OF STOCK IN TRADE</u>		
Opening Stock	56,472,000	56,472,000
	<u>56,472,000</u>	<u>56,472,000</u>
Closing Stock	354,804,000	56,472,000
	<u>354,804,000</u>	<u>56,472,000</u>
NET (INCREASE)/DECREASE IN STOCK	<u>(298,332,000)</u>	-
<u>(13) EMPLOYEE BENEFITS EXPENSES</u>		
Remuneration to Employees	69,000	66,000
	<u>69,000</u>	<u>66,000</u>
<u>(14) FINANCIAL COST</u>		
Interest on Loan	17,680	-
	<u>17,680</u>	<u>-</u>
<u>(15) OTHER EXPENSES</u>		
Auditor's Remuneration	41,300	37,760
Bank Charges	5,459	2,186
Conveyance expenses	50,000	50,000
Legal & Professional Charges	15,750	13,750
Office Expenses	5,725	2,774
Registration & Filing Fees	25,870	12,244
Rent	12,000	12,000
Share Transfer Stamps Exp a/c	745,830	-
Service Tax Expenses	-	450
Appeal Fees	10,100	500
	<u>912,034</u>	<u>131,664</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.28,45,610/- (P.Y.395.94 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

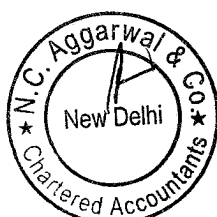
Basic & Diluted Earnings per equity share of the company is as under:

Amount (Rs.)

Particulars	31.03.2019	31.03.2018
Profit or (Loss) after Tax	14,990,378	(30,806,353)
Earnings available to Equity Shareholders (A)	14,990,378	(30,806,353)
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)	0.35	(0.72)
Earnings per Share-Diluted(Rs) (A/C)	0.35	(0.72)

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. 96,213/- (P.Y. Rs. 7,60,760/-) toward standard assets.
- b) appropriated 20.00% of the Net Profit i.e. Rs. 30,00,000/- 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 Investments Limited

II. Fellow Subsidiary of Parent company-

- a) Jindal Steel & Alloys Limited
- b) Jindal Holdings Limited
- c) Jindal Stainless (Mauritius) Limited
- d) Massillon Stainless Inc

III. Key Management Personnel

- a) P.D. Sharma (Director)
- b) Ved Vashisth (Director)
- c) R.P.Jindal (Director)
- d) Manu Aggarwal (Company Secretary)

a) Parties having control :-

Relationship - Holding Company

Name of Company	F.Y. 2018-2019	F.Y. 2017-2018
Nalwa Sons Investments Limited	Nil	Nil

Relationship - Fellow Subsidiary of parent company

Name of Company	F.Y. 2018-2019	F.Y. 2017-2018
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. 2018-2019	F.Y. 2017-2018
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. 2018-2019	F.Y. 2017-2018
Manu Aggarwal	Remuneration Rs-36,000/-	Nil
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) Loans given by the company are repayable 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	2018-2019	2017-2018
Opening balance	3,33,10,324	--
Add: Provision made during the year	--	3,33,10,324
Less: Provision reversed during the year	(3,33,10,324)	--
Closing Balance	--	3,33,10,324

24) Auditor's Remuneration

Particulars	F.Y. 2018-2019	F.Y. 2017-2018
As Auditors	41,300/-	37,760/-
For Certification Matter	-	-
Total	41,300/-	37,760/-

25) There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31st March, 2019.

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

On Behalf of Board of Directors

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



Place: New Delhi
Dated: 29/06/2019

Ved Vashisth
[Director]
DIN-00045993

Manu Aggarwal
Company Secretary
M.No-24831

P.D. Sharma
[Director]
DIN-00028298

Deepak Garg
CEO/CFO