



## **FICS CONSULTANCY SERVICES LIMITED**

*Annual Accounts 2014*

Corporate Identification Number: U74140MH1980PLC022644  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FICS CONSULTANCY SERVICES LIMITED****Report on the Financial Statements**

1. We have audited the accompanying financial statements of **FICS Consultancy Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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**

2. Management of the Company is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An Audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the 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 accepted in India;
  - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014
  - (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
  - (c) In the case of the Cash Flow Statement, the cash flows for the year ended on that date

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.
8. As required by section 227(3) of the Act, we report that;
  - (a) We have obtained all the information and explanation 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 appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt herewith comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;

- (e) On the basis of the written representations received from the Directors as on March 31, 2014 and taken on records by the Board of Directors, we report that none of the Director are disqualified, as on March 31, 2014, from being appointed as Director in terms of section 274(1)(g) of the Companies Act, 1956.

**For Arun Arora & Co.,**  
Chartered Accountants

ArunArora  
(Proprietor)  
Membership No.: A-12018

MUMBAI, April 23, 2014

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**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 3 of our report of even date,

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Fixed assets have been physically verified by the management at reasonable intervals. As informed, no material discrepancies were noticed on such verification
- (c) In our opinion and according to the information and explanations given to us, the company has not disposed off substantial part of its fixed assets during the year
- (ii) The nature of the business/activities of the company during the year is such that paragraph 4(ii) is not applicable.
- (iii) (a) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanation given to us, the Company has not accepted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) Based on the audit procedures applied and according to the information and explanations given, particulars of contracts or arrangements referred to in section 301 of the Companies Act, has been entered in the register maintained under section 301 of the Companies Act, 1956 and transactions made in pursuance of such contracts or arrangements has been made at prices which are reasonable having regard to the market prices at the relevant time.
- (vi) The company has not accepted any public deposits within the meaning of section 58A and 58AA of the Companies Act, 1956 and Non Banking Financial Companies Acceptance of Public Deposits (Reserve bank) Directions 1998.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The company is not required to maintain any cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax ,wealth tax, provident fund and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, were in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable.
- (x) The company neither has any accumulated losses at the end of the year nor incurred cash losses during the current and immediately preceding financial year.
- (xi) The company has not taken any loan from financial institution or bank. The company has not issued any debentures.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and timely entries have been made therein. The investments are held by the company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any term loans during the year.

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- (xvii) According to the records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment (fixed assets, etc.) and vice versa.
  - (xviii) The company has not made any preferential allotment of shares to any parties covered under section 301 of Companies Act 1956 during the year.
  - (xix) According to the information and explanations given to us and the records examined by us, during the year company has not issued any secured debenture
  - (xx) The company has not raised any money by public issue during the year.
  - (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For **Arun Arora & Co.**  
Chartered Accountants

Arun Arora  
(Proprietor)  
Membership No.: A-12018

MUMBAI, April 23, 2014

**FICS CONSULTANCY SERVICES LIMITED**
**BALANCE SHEET AS AT MARCH 31, 2014**

Particulars	Note No.	Rupees	As at	As at
			31.03.2014	31.03.2013
			Rupees	Rupees
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
a Share Capital	2.1	500,000		500,000
b Reserves and Surplus	2.2	60,244,195		43,129,448
			<b>60,744,195</b>	<b>43,629,448</b>
<b>2 Non-current liabilities</b>				
a Other Long Term Liabilities	2.3	-		1,000,000
b Long term Provisions	2.4	2,272,822		-
			<b>2,272,822</b>	<b>1,000,000</b>
<b>3 Current liabilities</b>				
a Short term Borrowings	2.5	875,000,000		-
b Trade payables	2.6	30,708		10,112
c Other current liabilities	2.7	7,885,042		207,085
			<b>882,915,750</b>	<b>217,197</b>
<b>Total</b>			<b>945,932,767</b>	<b>44,846,645</b>
<b>II. ASSETS</b>				
<b>1 Non-current assets</b>				
a Fixed Assets	2.8	972,881		1,357,882
b Non-current investments	2.9	-		25,000,000
c Long-term loans and advances	2.10	900,000,000		-
d Other Non Current Assets	2.11	720,110		2,438,799
			<b>901,692,991</b>	<b>28,796,681</b>
<b>2 Current assets</b>				
a Cash and Bank Balances	2.12	23,891,416		16,028,489
b Short Term Loans & Advances	2.13	9,128,880		-
c Other current assets	2.14	11,219,480		21,475
			<b>44,239,776</b>	<b>16,049,964</b>
<b>Total</b>			<b>945,932,767</b>	<b>44,846,645</b>

Significant accounting policies & notes to the financial statements 1 & 2

In terms of our report attached  
**For Arun Arora and Company**  
Chartered Accountants

**For and on behalf of the Board Directors**

**Arun Arora**  
Proprietor  
Membership No.A-12018

**Manish Sheth**  
Director

**S R Nayak**  
Director

**Place : Mumbai**  
**Date : April 23, 2014**

**Place : Mumbai**  
**Date : April 23, 2014**

**FICS CONSULTANCY SERVICES LIMITED**

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2014**

Particulars	Note No.	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
<b>I. REVENUE FROM FUND BASED OPERATIONS</b>	<b>2.15</b>	41,860,579	-
<b>II. OTHER INCOME</b>	<b>2.16</b>	18,138,783	11,037,664
<b>III Total Revenue (I + II)</b>		<b>59,999,362</b>	<b>11,037,664</b>
<b>IV EXPENSES</b>			
Finance costs	<b>2.17</b>	29,817,123	-
Depreciation and amortization expense	<b>2.18</b>	385,001	119,985
Other expenses	<b>2.19</b>	2,923,827	751,179
<b>Total expenses</b>		<b>33,125,951</b>	<b>871,164</b>
<b>V Profit before Tax</b>		26,873,411	10,166,500
<u>Tax expense</u>			
Current tax		9,800,000	2,005,000
Provision for Deferred Tax		-	75,731
Excess provision for tax in respect of earlier year (net)		(41,335)	-
		<b>9,758,665</b>	<b>2,080,731</b>
<b>VI Profit for the Year</b>		<b>17,114,746</b>	<b>8,085,769</b>
<b>VII Earnings per share</b>	<b>2.20</b>		
Basic & Diluted		342.29	161.72

Significant accounting policies & notes to the financial statements 1 & 2

In terms of our report attached  
**For Arun Arora and Company**  
Chartered Accountants

**For and on behalf of the Board Directors**

**Arun Arora**  
Proprietor  
Membership No.A-12018

**Manish Sheth**  
Director

**S R Nayak**  
Director

**Place : Mumbai**  
**Date : April 23, 2014**

**Place : Mumbai**  
**Date : April 23, 2014**

**FICS CONSULTANCY SERVICES LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>A Cash flow from operating activities</b>		
Profit before tax	26,873,411	10,166,501
<b>Adjustment for:</b>		
Depreciation	385,001	119,985
Interest on fixed deposits	(13,284,270)	(23,862)
(Profit)/loss on sale of investments	(706,665)	4,945,471
Provision for standard assets	2,272,822	-
Interest on income tax refund	(10,056)	-
(Profit)/loss on sale of assets	-	(15,130,807)
Dividend income	(4,137,792)	(288,466)
<b>Operating profit before working capital changes</b>	<b>11,392,452</b>	<b>(211,179)</b>
<b>Adjustment for:</b>		
(Increase)/decrease in trade receivables	-	395,065
(Increase)/decrease in long-term loans and advances	(900,000,000)	3,000
(Increase)/decrease in short-term loans and advances	(9,128,880)	-
(Increase)/decrease in other current assets	(11,198,005)	46,024
Increase/(decrease) in trade payables	20,596	-
Increase/(decrease) in other current liabilities	6,677,957	202,428
<b>Cash generated from/(used in) operations</b>	<b>(902,235,880)</b>	<b>435,338</b>
Direct taxes paid	(8,029,919)	(2,098,063)
<b>Net cash from/(used in) operating activities</b>	<b>(910,265,799)</b>	<b>(1,662,725)</b>
<b>B Cash flow from investing activities</b>		
Purchase of current investments - Others	(1,345,319,457)	(50,094,680)
Sale of non-current investments - Others	25,000,000	735,000
Sale of current investments - Others	1,346,026,121	50,094,709
Sale of fixed assets	-	15,600,000
Interest on Bank Deposits	13,284,270	23,862
Dividend Income	4,137,792	288,466
<b>Net cash from/(used in) investment activities</b>	<b>43,128,726</b>	<b>16,647,357</b>
<b>C Cash flow from financing activities</b>		
Proceeds from short-term borrowings	1,575,000,000	-
Repayment of short-term borrowings	(700,000,000)	-
<b>Net cash from/(used in) financing activities</b>	<b>875,000,000</b>	<b>-</b>
<b>Net increase/(decrease) in Cash and cash equivalents</b>	<b>7,862,927</b>	<b>14,984,632</b>
Cash & cash equivalents (opening)	16,028,489	1,043,857
Cash & cash equivalents (closing)	23,891,416	16,028,489

**Notes**

- The cash flow statement has been prepared under the 'Indirect Method' set out in AS 3 - "Cash Flow Statement" notified in Companies (Accounting standards) Rules, 2006 (as amended).
- Previous year's figures have been regrouped and rearranged wherever necessary

In terms of our report attached  
**For Arun Arora and Company**  
Chartered Accountants

**For and on behalf of the Board Directors**

**Arun Arora**  
Proprietor  
Membership No.A-12018

**Manish Sheth**  
Director

**S R Nayak**  
Director

**Place : Mumbai**  
**Date : April 23, 2014**

**Place : Mumbai**  
**Date : April 23, 2014**

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**FICS CONSULTANCY SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014****NOTE 1****1. Significant Accounting Policies:****a) Basis of preparation of financial statements**

The Financial Statements are prepared under the historical cost convention on an accrual basis and in accordance with the generally accepted principles in India and as per the provisions of the Companies Act, 1956 ('the Act') and the accounting principles generally accepted in India and comply with the Accounting Standards notified under the Act (Which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) to the extent applicable and the circulars and guidance issued by Reserve Bank of India from time to time. Except otherwise mentioned, 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 preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known/materialised.

**c) Revenue recognition**

Revenue is recognised at the point when there is reasonable certainty of its ultimate realisation/collection.

- (i) Interest Income from financing activities and others is recognised on accrual basis. In terms of Reserve Bank of India (RBI) Directions, interest income on Non-performing assets ('NPA') is recognised only when it is actually realised.
- (ii) Transaction in respect of Investment / Dealing in Securities are recognized on trade dates.
- (iii) Dividend income is recognised when the right to receive the dividend is established

**d) Investments**

Investments are classified as non-current or current. Non-current investments are carried at cost, however, provision for diminution in the value of long-term investments is made to recognise a decline, other than temporary, in the value of investments. The provision for diminution in the value of the quoted long-term investments is made to recognise the decline at lower of cost or market value, determined on the basis of the quoted prices of individual investment. Provision for diminution in the value of unquoted long-term investments is made as per the Management's estimate. Current investments are carried at lower of cost or fair value.

**e) Taxation**

Tax expense comprises current tax and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that apply substantively as on the date of balance sheet. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

**f) Provisions, contingent liabilities and contingent assets**

Contingent liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past event; and

it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent assets are not recognised in the financial statements.

**g) Prudential Norms**

The Company follows the Prudential Norms prescribed by the Reserve Bank of India, Non Banking Finance Companies Prudential Norms, 1988 for revenue recognition, Asset classification and provisioning. The Reserve Bank of India ("RBI") directions in respect of Non Banking financial (Non Deposit Accepting) Companies Prudential Norms (Reserve Bank) Directions, 2007 (RBI Directions, 2007), dated February 22, 2007 in respect of income recognition, income from investments, asset classification, disclosure in the balance sheet and provisioning are followed by the Company. Accounting Standards and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are non inconsistent with the RBI Directions.

**h) Owned tangible assets**

Owned tangible assets are stated at original cost of acquisition less accumulated depreciation and impairment loss. Cost comprises of all costs incurred to bring the assets to their present location and working conditions.

**i) Depreciation**

Depreciation on tangible fixed assets is provided on the Straight Line Method (SLM), based on rates as per the management's estimate of useful life of the fixed assets, or at the rates prescribed in Schedule XIV to the Act, 1956, whichever is higher, as per the following table:

Asset	Useful Life
Office premises	61 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers and software	5 years
Leasehold improvements	10 years
Motor Vehicles	5 years

Assets costing Rs.5,000/- or less are fully depreciated in the year of acquisition

**Owned Intangible assets**

Intangible fixed assets are stated at cost of acquisition or internal generation, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of the intangible assets is allocated over the best estimate of its useful life on a straight line basis.

The Company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over management estimate of its useful life not exceeding 5 years

**Leased Assets**

Assets acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

**j) Impairment of assets**

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the profit and loss account.

FICS CONSULTANCY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE 2

2.1 SHARE CAPITAL

	As at 31st March, 2014 Rupees	As at 31st March, 2013 Rupees
<b>Authorised</b>		
50,000 Equity Shares of Rs 10/- each	500,000	500,000
	<b>500,000</b>	<b>500,000</b>
<b>Issued, Subscribed and Fully paid-up</b>		
50,000 Equity shares of Rs 10/- each fully paid-up (Previous year 50,000 Equity shares of Rs.10/- each)	500,000	500,000
<b>Total</b>	<b>500,000</b>	<b>500,000</b>

**Note a.**

Particulars	Equity Shares			
	31.03.2014		31.03.2013	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)				
Shares outstanding at the end of the year	50,000	500,000	50,000	500,000

**Note b.**

The Company has only one class of shares referred to as equity shares having face value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

**Note c.**

Out of Equity shares issued by the Company, shares held by each shareholder including its holding company, ultimate holding company and their subsidiaries/associates, holding more than 5 percent shares specifying the number of shares held are as below:

Particulars	31.03.2014		31.03.2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares:</b>				
JM Financial Limited along with its nominees	50,000	100.00	-	-
JM Financial & Investment Consultancy Services Pvt Ltd along with its nominees	-	-	50,000	100.00

**Note d.**

Aggregate number of shares allotted as fully paid up by way of bonus shares during last 5 years	
<b>Particulars</b>	
<b>Equity Shares :</b>	
Fully paid up by way of bonus shares	Nil

## 2.2 RESERVES AND SURPLUS

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>a. General reserve</b>		
Opening balance	1,688,803	1,688,803
Closing balance	<b>1,688,803</b>	<b>1,688,803</b>
<b>b. Statutory Reserve</b>		
Opening balance	<b>3,624,000</b>	<b>2,006,000</b>
(+) Transferred during the year	3,423,000	1,618,000
Closing balance	<b>7,047,000</b>	<b>3,624,000</b>
<b>c. Surplus / deficit in profit and loss account:</b>		
Opening balance	37,816,645	31,348,876
(+) Profit for the year	17,114,746	8,085,769
	<b>54,931,391</b>	<b>39,434,645</b>
(-) Appropriations		
Transferred to Statutory Reserve	3,423,000	1,618,000
	<b>3,423,000</b>	<b>1,618,000</b>
Closing balance	51,508,392	37,816,645
<b>Total</b>	<b>60,244,195</b>	<b>43,129,448</b>

## 2.3 OTHER LONG TERM LIABILITIES

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Security Deposits	-	1,000,000
<b>Total</b>	<b>-</b>	<b>1,000,000</b>

## 2.4 LONG TERM PROVISIONS

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
for Standard Assets*	<b>2,272,822</b>	-
	<b>2,272,822</b>	-

\*To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a notification No. DNBS 22 / CGM (US) dated January 17, 2011, requiring all NBFCs to make a general provision at 0.25 per cent of outstanding standard assets. The Company has created provision for standard assets, which is sufficient to comply with the aforesaid RBI Notification

## 2.5 SHORT TERM BORROWINGS

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>Unsecured</b>		
<b><u>Loans &amp; Advance from Related Parties</u></b>		
Loans from Holding Company	875,000,000	-
	<b>875,000,000</b>	<b>-</b>

## 2.6 TRADE PAYABLES

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Outstanding dues other than micro, small & medium enterprises.	30,708	10,112
<b>Total</b>	<b>30,708</b>	<b>10,112</b>

## 2.7 OTHER CURRENT LIABILITIES

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Statutory dues	2,984,862	207,085
Others	4,900,180	-
<b>Total</b>	<b>7,885,042</b>	<b>207,085</b>

**2.8 FIXED ASSETS**

Amount in Rupees

Description	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As at 31.03.2013	Additions	Disposals	As at 31.03.2014	Up to 31.03.2013	For the year / period	Deductions	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b><u>i) TANGIBLE ASSETS:</u></b>										
-										
<b><u>Owned Assets:</u></b>										
Office Premises	1,867,137	-	-	1,867,137	900,974	(6,718)	-	894,256	972,881	966,163
Furniture and Fixtures	1,381,031	-	-	1,381,031	1,109,836	271,195	-	1,381,031	-	271,195
Electrical Fittings	145,345	-	-	145,345	104,115	41,230	-	145,345	-	41,230
Office Equipments	292,688	-	-	292,688	213,394	79,294	-	292,688	-	79,294
<b>Total</b>	<b>3,686,201</b>	<b>-</b>	<b>-</b>	<b>3,686,201</b>	<b>2,328,319</b>	<b>385,001</b>	<b>-</b>	<b>2,713,320</b>	<b>972,881</b>	<b>1,357,882</b>
<b><u>ii) INTANGIBLE ASSETS:</u></b>										
		-	-	-			-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,686,201</b>	<b>-</b>	<b>-</b>	<b>3,686,201</b>	<b>2,328,319</b>	<b>385,001</b>	<b>-</b>	<b>2,713,320</b>	<b>972,881</b>	<b>1,357,882</b>
Previous Year	4,544,201	-	858,000	3,686,201	2,597,141	119,985	388,807	2,328,319	1,357,882	

**2.9 NON-CURRENT INVESTMENT - At Cost**

	Face Value Rupees	Nos. of Units/ Shares	As at 31.03.2014 Rupees	Nos. of Units/ Shares	As at 31.03.2013 Rupees
<b>Unquoted:</b>					
<b>(a) Investments in preference shares In other companies</b>					
NowrosjeeWadia& Sons Ltd	1000	-	-	1,000	25,000,000
			-		<b>25,000,000</b>
<b>Grand Total</b>			-		<b>25,000,000</b>
<b>Notes:</b>					
		As at Cost	31.03.2014 Market Value / NAV	As at Cost	31.03.2013 Market Value / NAV
<b>1. Aggregate value of Unquoted Investments</b>		Rupees	Rupees	Rupees	Rupees
		-	-	25,000,000	25,000,000

**2.10 LONG TERM LOANS AND ADVANCES**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>Secured, Considered Good</b>		
Loan Funds	900,000,000	-
<b>Total</b>	<b>900,000,000</b>	-

**2.11 OTHER NON CURRENT ASSETS**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Advance Tax (Net of provisions)	700,110	2,418,799
Security Deposits	20,000	20,000
	<b>720,110</b>	<b>2,438,799</b>

**2.12 CASH AND BANK BALANCES**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Cash in hand	-	15
Balances with banks		
In Current Accounts	8,891,416	828,474
In Deposit Accounts (Maturity less than 3 months)	15,000,000	15,200,000
	<b>23,891,416</b>	<b>16,028,489</b>

**2.13 SHORT-TERM LOANS AND ADVANCES**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>Unsecured, Considered good Loan Funds</b>	9,128,880	-
	<b>9,128,880</b>	-

**2.14 OTHER CURRENT ASSETS**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Income Accrued	7,419,301	21,475
Others	3,800,179	-
	<b>11,219,480</b>	<b>21,475</b>

**2.15 REVENUE FROM OPERATIONS**

	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
<b><u>Income from funding activities</u></b>		
Interest on loans	22,860,579	-
Processing fees	19,000,000	-
<b>Total</b>	<b>41,860,579</b>	-

**2.16 OTHER INCOME**

	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
<u>Interest Income</u>		
- Bank Deposits	13,284,270	23,862
<u>Profit / (Loss) on Sale of Investments (Net)</u>		
- Current Investments	706,665	29
- Non Current Investments	-	(4,945,500)
	706,665	(4,945,471)
<u>Dividend on investments</u>		
- Current Investments	4,037,792	257,841
- Non Current Investments	100,000	30,625
	4,137,792	288,466
Interest on income tax refunds	10,056	-
Licence Fees	-	540,000
Profit on sale of Asset	-	15,130,807
<b>Total</b>	<b>18,138,783</b>	<b>11,037,664</b>

**2.17 FINANCE COST**

	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
Interest Expenses	29,817,123	-
	<b>29,817,123</b>	-

**2.18 DEPRECIATION AND AMORTIZATION EXPENSES**

	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
Depreciation	385,001	119,985
	<b>385,001</b>	<b>119,985</b>

## 2.19 OTHER EXPENSES

	Current Year 31.03.2014 Rupees	Previous Year 31.03.2013 Rupees
Advertisement Expenses	5,459	98,729
Auditors Remuneration	39,326	28,090
Donations	100,000	-
Insurance Expenses	693	738
Legal & Professional Fees	16,343	31,986
Listing Fees	16,854	16,854
Miscellaneous Expenses	74,225	64,191
Provision on standard assets	2,272,822	-
Rates & Taxes	365,865	510,591
Travelling & Conveyance	32,240	-
<b>Total</b>	<b>2,923,827</b>	<b>751,179</b>

## 2.20 EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	As at 31.03.2014	As at 31.03.2013
Profit after tax (Rupees)	17,114,746	8,085,769
Profit attributable to the equity shareholders for the purpose of basic earnings per share (Rupees)	17,114,746	8,085,769
Profit attributable to the equity shareholders for the purpose of diluted earnings per share (Rupees)	17,114,746	8,085,769
Weighted average number of equity shares outstanding during the year for basic earnings per share	50,000	50,000
Basic earnings per share – Rupees	342.29	161.72
Nominal value per share – Rupees	10	10

## 2.21 PAYMENTS TO AUDITORS

(Rupees)

Payments to the auditor as	As at 31.03.2014	As at 31.03.2013
a. auditor	11,236	11,236
b. for Limited Review of Financials	-	16,854
c. for other services (Certifications)	28,090	-
<b>Total</b>	<b>39,326</b>	<b>28,090</b>

2.22 Figures of the previous year have been regrouped wherever necessary to correspond with those of the current year

## 2.23 Disclosure in respect of applicability of AS-18 Related Party Disclosures

Nature of Relationship	Related Party
Holding Company (W.E.F 29/03/2014)	JM Financial Limited
Holding Company (till 28/03/2014)	J.M. Financial & Investment Consultancy Services Pvt Ltd
Individual exercising control or significant influence by way of voting power in reporting enterprise and relative of such person	Individual exercising control or significant influence Mr. Nimesh Kampani

During the Year, following transactions were carried out with the related parties in the ordinary course of business

Name of the Related Party	Nature of Relation	Nature of Transaction	Volume of Transaction for year 2013-14 (Rupees)	Balance outstanding as on 31.03.2014 (Rupees)	Volume of Transaction for year 2012-13 (Rupees)	Balance outstanding as on 31.03.2013 (Rupees)
J.M. Financial & Investment Consultancy Services P Ltd	Holding Company (Upto March 27, 2014)	Rent Received*	-	-	540,000	-
		Sale of Investments	25,000,000	-	-	-
JM Financial Limited	Holding Company w.e.f. March 28, 2014	Loans taken & Repaid (Net)	875,000,000	875,000,000	-	-
		Interest Paid	29,817,123	-	-	-
Nalin I Mehta	Director (up to Aug 4 2013)	Sale of Premises	-	-	15,600,000	-
		Board Meeting Fees	-	-	1,000	-

\* Excludes service tax

## 2.24 Segment Reporting

### a) Primary Segment:

As per accounting standard 17, Company has three reportable business segments. (i.e.) (a) Fund based (b) Investments & (c) Rentals. (Previous year only two segments viz (a) Investments & (b) Rentals. Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis

Based on such allocations segmental wise details are as per annexure

Particulars	(Rupees)	
	31.03.2014	31.03.2013
<b>Segment wise revenue</b>		
Fund based	55,144,850	23,862
Investments	4,844,457	(4,657,005)
Rentals	-	540,000
Unallocated	10,056	15,130,807
<b>Total segment revenue</b>	<b>59,999,362</b>	<b>11,037,664</b>
<b>Segment results</b>		

Particulars	(Rupees)	
	31.03.2014	31.03.2013
Fund based	23,022,664	23,862
Investments	4,843,280	(4,660,638)
Rentals	(185,347)	183,780
Unallocated	(807,186)	14,619,496
<b>Total segment results</b>	<b>26,873,411</b>	<b>10,166,501</b>
<b>Segment assets</b>		
Fund based	931,548,181	15,221,475
Investments	-	25,000,000
Rentals	992,881	986,163
Unallocated	13,391,705	3,639,007
<b>Total segment assets</b>	<b>945,932,767</b>	<b>44,846,645</b>
<b>Segment liabilities</b>		
Fund based	880,254,534	-
Investments	-	-
Rentals	-	1,000,000
Unallocated	4,934,038	217,197
<b>Total segment liabilities</b>	<b>885,188,572</b>	<b>1,217,197</b>
Capital expenditure incurred during the year		
Investments	-	-
Rentals	-	-
Unallocated	-	-
<b>Total segment liabilities</b>	<b>-</b>	<b>-</b>

**b) Secondary Segment (by Geographical segments):**

The Company does not have any reportable geographical segment.

**2.25** Claims against the Company not acknowledged isRs.Nil towards additional Municipal Taxes. (Previous year Rs.32,55,072/-)

**2.26** Schedule to the Balance Sheet of a non-banking deposit taking non-banking financial company (As required in terms of para 13 on Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Particulars	(Amount in Lakh)	
	Amount Out-standing	Amount Overdue
<b>Liability Side:</b>		
<b>1) Loans and Advances availed by the NBFC's inclusive of interest accrued thereon but not paid</b>		
a) Debentures: Secured	Nil	Nil
	(Nil)	(Nil)
Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)	(Nil)	(Nil)
b) Deferred Credits	Nil	Nil
	(Nil)	(Nil)
c) Term Loans	Nil	Nil
	(Nil)	(Nil)



Particulars	Amount Out-standing	Amount Overdue
2. Unquoted:		
(I) Shares : (a) Equity	Nil (Nil)	
(b) Preference	Nil (Nil)	
(ii) Debentures and Bonds	Nil (Nil)	
(iii) Units of mutual funds	Nil (Nil)	
(iv) Government Securities	Nil (Nil)	
(v) Others (please specify)	Nil (Nil)	
<b>Long Term Investments</b>		
1. Quoted :		
(I) Shares : (a) Equity	Nil (Nil)	
(b) Preference	Nil (Nil)	
(ii) Debentures and Bonds	Nil (Nil)	
(iii) Units of mutual funds	Nil (Nil)	
(iv) Government Securities	Nil (Nil)	
(v) Others (please specify)	Nil (Nil)	
2. Unquoted:		
(I) Shares : (a) Equity	Nil (Nil)	
(b) Preference	Nil (250.00)	
(ii) Debentures and Bonds	Nil (Nil)	
(iii) Units of mutual funds	Nil (Nil)	
(iv) Government Securities	Nil (Nil)	
(v) Others (please specify)	Nil (Nil)	
<b>5) Borrower group-wise classification of assets financed as in (2) and (3) above :</b>		

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil (Nil)	Nil (Nil)	Nil (Nil)
(b) Companies in the same group	Nil (Nil)	Nil (Nil)	Nil (Nil)
(c) Other related parties	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Other than related parties.	8,977.50 (Nil)	91.06 (Nil)	9,068.56 (Nil)
<b>Total</b>	<b>8,977.50</b> <b>(Nil)</b>	<b>91.06</b> <b>(Nil)</b>	<b>9,068.56</b> <b>(Nil)</b>

6) Investor group-wise classification of all investments (Current and long term) in shares and securities (Both quoted and unquoted)		
Category	Market Value/Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil (Nil)	Nil (Nil)
(b) Companies in the same group	Nil (Nil)	Nil (Nil)
(c) Other related parties	Nil (Nil)	Nil (Nil)
2. Other than related parties	Nil (250.00)	Nil (250.00)
<b>Total</b>	<b>Nil</b> <b>(250.00)</b>	<b>Nil</b> <b>(250.00)</b>

7) Other Information	
Particulars	Amount
(I) Gross Non-Performing Assets	
(a) Related parties	Nil (Nil)
(b) Other than related parties	Nil (Nil)
(ii) Net Non-Performing Assets	
(a) Related parties	Nil (Nil)
(b) Other than related parties	Nil (Nil)
(iii) Assets acquired in satisfaction of debts (Figures in brackets denotes previous year's numbers)	Nil (Nil)

**2.28** During the year, the Company changed the method of providing depreciation on fixed assets from written down value method to straight line method. As a result, short depreciation till 31.03.2013 (Net) has been provided and adjusted with current year's depreciation in the Profit & Loss account by Rs.2,89,673/- .

- 2.29** The Company has not received any intimation from “supplier” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amount unpaid as at the year end together with interest paid / payable as required under the said act have not been given.

AS PER OUR REPORT OF EVEN DATE ANNEXED

For **Arun Arora & Company**

Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**Arun Arora**

Proprietor

Membership no.A-12018

**Manish Sheth**

Director

**S R Nayak**

Director

Place:- Mumbai

Date: April 23, 2014