

**CAPITAL FIRST SECURITIES LIMITED**  
BALANCE SHEET AS AT MARCH 31, 2018

Amount in Rupees

Particulars	Note	As at March 31, 2018	As at March 31, 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	673,556,000	673,556,000
Reserves and Surplus	4	(18,500,638)	(195,051,527)
		<b>655,055,362</b>	<b>478,504,473</b>
<b>Non - Current Liabilities</b>			
Other Long term liabilities	5	85,788,789	69,853,801
Long term provisions	6	195,301	146,909
		<b>85,984,090</b>	<b>70,000,710</b>
<b>Current Liabilities</b>			
Trade payables	7		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		1,659,954	1,495,186
Other current liabilities	8	60,661,415	54,456,388
Short term provisions	9	1,352,715	1,345,330
		<b>63,674,084</b>	<b>57,296,904</b>
<b>TOTAL</b>		<b>804,713,536</b>	<b>605,802,087</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Non - current investments	10	282,800,000	282,800,000
Deferred tax assets (Net)	11	40,543,719	34,397,532
Other non current assets	12	16,720,584	15,722,825
Long term loans and advances	13	9,325,503	10,142,480
		<b>349,389,806</b>	<b>343,062,837</b>
<b>Current Assets</b>			
Current Investments	14	370,000,000	192,500,000
Trade receivables	15	84,518,780	4,633,696
Cash and bank balance	16	522,748	618,272
Short term loans and advances	17	282,202	64,987,282
		<b>455,323,730</b>	<b>262,739,250</b>
<b>TOTAL</b>		<b>804,713,536</b>	<b>605,802,087</b>
Summary of significant accounting policies	2.1		
The accompanying notes to accounts are an integral part of the financial statements			

As per our report of even date

**For B S R & Co. LLP**

ICAI Firm Registration No. 101248 W/W-100022  
Chartered Accountants

**For and on behalf of the Board of Directors of  
CAPITAL FIRST SECURITIES LIMITED**

**Manoj Kumar Vijai**  
Partner

**Membership No.046882**

Place: Mumbai  
Date: April 28, 2018

**Anand Rai**  
Managing Director, Company  
Secretary & CFO  
**DIN 07019167**

Place: Mumbai  
Date: April 28, 2018

**Gourav Mardia**  
Director  
**DIN '06527313**

**CAPITAL FIRST SECURITIES LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018***Amount in Rupees*

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Income</b>			
Revenue from Operations	18	220,558,691	133,629,689
Other Income	19	20,511,043	15,152,810
<b>Total revenue</b>		<b>241,069,734</b>	<b>148,782,499</b>
<b>Expenses</b>			
Employee benefits expense	20	18,507,214	15,096,061
Finance costs	21	932	9,081
Other expenses	22	5,446,886	3,204,886
<b>Total Expenses</b>		<b>23,955,032</b>	<b>18,310,028</b>
<b>Profit before tax</b>		<b>217,114,702</b>	<b>130,472,471</b>
<b>Tax expense:</b>			
- Current tax		-	21,740,001
Minimum Alternate Tax		46,710,000	-
- Deferred tax		(6,146,187)	(34,397,532)
		<b>40,563,813</b>	<b>(12,657,531)</b>
<b>Profit after tax</b>		<b>176,550,889</b>	<b>143,130,002</b>
<b>Earnings per Equity Share:</b>	23		
- Basic (Face value of Rs. 10/-)		2.91	2.30
- Diluted (Face value of Rs. 10/-)		2.91	2.30
Summary of significant accounting policies	2.1		
The accompanying notes to accounts are an integral part of the financial statements			

As per our report of even date

**For B S R & Co. LLP****ICAI Firm Registration No. 101248 W/W-100022****Chartered Accountants****For and on behalf of the Board of Directors of****CAPITAL FIRST SECURITIES LIMITED****Manoj Kumar Vijai**

Partner

**Membership No.046882****Anand Rai**

Managing Director, Company

Secretary &amp; CFO

DIN 07019167

**Gourav Mardia**

Director

DIN '06527313

Place: Mumbai

Date: April 28, 2018

Place: Mumbai

Date: April 28, 2018

**CAPITAL FIRST SECURITIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

Amounts in Rupees

Particulars	For the year ended March 31, 2018		For the year ended March, 2017	
<b>Profit before tax</b>		<b>217,114,702</b>		<b>130,472,471</b>
Adjustments for:				
Excess Provision written back	(115,725)		(570,903)	
Provision for doubtful advances	-		-	
Provision for Gratuity	49,172		147,705	
Profit on sale of Investment	(19,286,694)		(13,048,424)	
Interest Income	(1,108,624)		(1,045,795)	
Provision for doubtful advances	1,500,000		-	
		<b>(18,961,871)</b>		<b>(14,517,417)</b>
<b>Operating Profit Before Working Capital Changes</b>		<b>198,152,831</b>		<b>115,955,054</b>
(Increase)/ decrease in trade and other receivables	-		-	
(Increase)/Decrease in short term loans & advances	63,707,321		(47,349,013)	
( Increase)/ Decrease in trade receivables	(81,385,084)		(4,626,088)	
Increase/ (decrease) in trade payables	164,768		662,094	
Increase/ (decrease) in other current liabilities	22,255,740		31,705,278	
Increase/ (decrease) in short term provisions	6,604		17,692	
		<b>4,749,349</b>		<b>(19,590,037)</b>
Cash from / (used) in operations		<b>202,902,180</b>		<b>96,365,017</b>
Income taxes (refund) /paid		<b>(45,893,023)</b>		<b>(19,454,586)</b>
<b>Net Cash from Operating Activities</b>		<b>157,009,157</b>		<b>76,910,431</b>
<b>Cash flows from investing activities</b>				
Purchase of Investments	(370,000,000)		(606,300,000)	
Proceeds from sale of investments	211,786,694		524,748,425	
Interest received	1,108,624		1,045,795	
<b>Net cash (used in) / from investing activities</b>		<b>(157,104,682)</b>		<b>(80,505,780)</b>
<b>Cash flows from financing activities</b>				
<b>Net cash used in financing activities</b>		<b>-</b>		<b>-</b>
<b>Net decrease in cash and cash equivalents during the year</b>		<b>(95,525)</b>		<b>(3,595,351)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>618,272</b>		<b>4,213,623</b>
<b>Cash and cash equivalents at end of year</b>		<b>522,748</b>		<b>618,272</b>
		<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>
<b>Cash &amp; Cash equivalents:</b>				
Cash on hand and bank balances		<b>522,748</b>		<b>618,272</b>
<b>Total</b>		<b>522,748</b>		<b>618,272</b>

**Note:**

- The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Accounting Standard (AS) - 3 'Cash Flow Statements' as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with Rule 7 of the Companies Accounts Rules, 2014 and the Companies (Accounting Standard) Amendment Rule 2016
- Cash and cash equivalents in the balance sheet comprises of Cash in hand and Cash at bank.

As per our report of even date

**For B S R & Co. LLP**  
**ICAI Firm Registration No. 101248 W/W-100022**  
**Chartered Accountants**

**For and on behalf of the Board of Directors of**  
**Capital First Securities Limited**

**Manoj Kumar Vijai**  
**Partner**  
**Membership No.046882**

**Anand Rai**  
**Managing Director, Company**  
**Secretary & CFO**  
**DIN 07019167**

**Gourav Mardia**  
**Director**  
**DIN '06527313**

Place: Mumbai  
Date: April 28, 2018

Place: Mumbai  
Date: April 28, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

**1 CORPORATE INFORMATION**

Capital First Securities Limited ('CFSL' or 'the Company') has surrendered its license with the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) and has received necessary final approvals from Securities & Exchange Board of India (SEBI). The Company is in the business of advisory, business support services and loan syndication.

**2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared to comply in accordance with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act') read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rule 2016 and other accounting principles generally accepted in India (IGAAP). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of Financial Statements are consistent with those used in the previous year.

**2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Current/ Non -Current classification of assets and liabilities**

As required by Schedule III, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Since the operating cycle for the Company is not readily determinable, the operating cycle has been considered as twelve months.

**(b) Use of estimates**

The preparation of financial statements in conformity with IGAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(c) Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**(d) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Fee income**

Fee income is amortised over the servicing period. The unamortised balance is being disclosed as part of current liabilities.

Fee income on recruitment services is recognised based on completion of services.

**Commission and brokerage income**

Commission and brokerage income earned for the services rendered are recognised as and when they are due and amortised over the tenure of the service agreement.

**Interest Income**

Interest income from loans is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend Income**

Dividend is recognized as income when the right to receive payment is established.

**Profit/ Loss on sale of investments**

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss account.

**(e) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

**Gratuity**

The Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

**Leave encashment**

Earned leave during the financial year and remaining unutilized will be encashed at the year end based on basic salary. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**(f) Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**(g) Provisions**

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**(h) Contingent Liabilities**

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**(i) Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity period of three months or less.

**(j) Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**3 Share Capital:**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
<b>Authorized:</b>				
- Equity shares of Rs. 10/- each	62,000,000	620,000,000	62,000,000	620,000,000
- Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100/- each	3,800,000	380,000,000	3,800,000	380,000,000
	<b>65,800,000</b>	<b>1,000,000,000</b>	<b>65,800,000</b>	<b>1,000,000,000</b>

**Issued, subscribed and fully paid up:**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
<b>Equity Share Capital</b>				
Equity shares of Rs. 10/- each fully paid up	55,355,600	553,556,000	55,355,600	553,556,000
<b>Preference Share Capital</b>				
Preference share capital of Rs. 100/- each fully paid up	1,200,000	120,000,000	1,200,000	120,000,000
		<b>673,556,000</b>		<b>673,556,000</b>

**1. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
At the beginning of the reporting year	55,355,600	553,556,000	55,355,600	553,556,000
Issued during the reporting year	-	-	-	-
Bought back during the reporting year	-	-	-	-
<b>At the close of the reporting year</b>	<b>55,355,600</b>	<b>553,556,000</b>	<b>55,355,600</b>	<b>553,556,000</b>

**Preference Shares**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
At the beginning of the reporting year	1,200,000	120,000,000	1,200,000	120,000,000
Issued during the reporting year	-	-	-	-
Redeemed during the reporting year	-	-	-	-
<b>At the close of the reporting year</b>	<b>1,200,000</b>	<b>120,000,000</b>	<b>1,200,000</b>	<b>120,000,000</b>

**2. Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of 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 the shareholders.

**3. Terms / rights attached to Preference shares**

1,200,000, 13% Cumulative, Non-Convertible, Redeemable Preference Shares (CNCRPS) confer on the holders thereof the following rights and privileges:

i) The Board of Directors of the Company at their meeting held on January 22, 2018 approved the proposal for extending the period of redemption of 12,00,000, 13% Cumulative, Non-Convertible, Redeemable Preference Shares of face value of Rs.100/- each fully paid up held by it for further two years from due date of redemption March 25, 2018 to March 25, 2020.

ii) the right to a cumulative preferential dividend of 13% on the nominal value of the CNCRPS every year, till the redemption of these CNCRPS, subject to the availability of distributable profits, free of Company's Income-tax, but subject to deduction of taxes at source at the rate or rates prescribed from time to time. The dividend will be calculated on a day count of 365 days a year basis and are cumulative in nature. The dividend shall be paid to such Preference Shareholders whose names appears on the Register of Preference Shareholders on the Record Date, as may be declared by the Company.

(iii) the right in the event of winding up to the payment of such capital and arrears of dividend, whether earned, accrued, declared or not, down to the commencement of the winding up in priority to the equity Shares but shall not confer any further right to participate in profits or assets.

(iv) Except as provided under section 47 of the Companies Act, 2013, Preference Shareholders have no voting rights. The CNCRPS shall carry a preferential right over the Equity Shares of the Company as regards to payment of dividend and as regards to repayment of the capital in the event of winding up.

On maturity the Preference shareholder will be redeemed at the face value.

**4. Shares held by the Holding Company :**

All the Equity and Cumulative, Non-Convertible, Redeemable Preference Shares are held by the holding company - Capital First Limited (including nominees)

**5. Shareholders holding more than 5% shares in the Company**

**Equity Share Capital**

Capital First Limited - 55,355,600 Equity Shares – 100%

(Previous Year - Capital First Limited - 55,355,600 Equity Shares – 100%)

**Preference Share Capital**

Capital First Limited - 1,200,000 Cumulative, Non-Convertible, Redeemable Preference Shares – 100%

(Previous Year : Capital First Limited - 1,200,000 Cumulative, Non-Convertible, Redeemable Preference Shares – 100%)

**6. For a five year period immediately preceding the date at which Balance Sheet is prepared:**

- No Shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash
- No Shares were allotted as fully paid up by way of bonus shares.
- No Shares were bought back.

# CAPITAL FIRST SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 4 Reserves and Surplus:

Amount in Rupees

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	236,140,800	236,140,800
<b>Statement of Profit &amp; Loss</b>		
Balance as per last Balance Sheet	(431,192,327)	(574,322,329)
Profit for the year	176,550,889	143,130,002
<b>Deficit in the Statement of Profit &amp; Loss</b>	<b>(254,641,438)</b>	<b>(431,192,327)</b>
	<b>(18,500,638)</b>	<b>(195,051,527)</b>

### 5 Other Long term liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Unamortised Fees	85,788,789	69,853,801
	<b>85,788,789</b>	<b>69,853,801</b>

### 6 Long term provisions

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Gratuity (Refer note no. 29)	195,301	146,909
	<b>195,301</b>	<b>146,909</b>

### 7 Trade Payables

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Micro and Small Enterprises (Refer note no. 27)	-	-
(ii) Other than Micro and Small Enterprises	1,659,954	1,495,186
	<b>1,659,954</b>	<b>1,495,186</b>

### 8 Other current liabilities:

Particulars	As at March 31, 2018	As at March 31, 2017
Other Liabilities	-	35,137
Unamortised Fees	54,595,883	49,268,717
Statutory dues	6,065,532	5,152,534
	<b>60,661,415</b>	<b>54,456,388</b>

### 9 Short term provisions:

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for contingencies (Refer note no. 28)	1,326,842	1,326,842
Provision for Leave Incashment	24,297	17,692
Provision for Gratuity (Refer note no. 29)	1,576	796
	<b>1,352,715</b>	<b>1,345,330</b>

**CAPITAL FIRST SECURITIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**10 Non Current Investments:**

*Amount in Rupees*

<b>Details of Investments</b>	<b>Quantity</b>	<b>As at March 31, 2018</b>	<b>Quantity</b>	<b>As at March 31, 2017</b>
<b>Trade Investments</b> (Valued at cost unless stated otherwise)				
Investment in Equity Instruments (Unquoted):				
Investment in subsidiary (in fully paid up equity shares of Rs. 10 each)				
Capital First Commodities Limited	28,325,000	282,800,000	28,325,000	282,800,000
<b>Total</b>	<b>28,325,000</b>	<b>282,800,000</b>	<b>28,325,000</b>	<b>282,800,000</b>
<b>Additional Information:</b>				
Aggregate value of quoted investment	-	-	-	-
Aggregate value of unquoted investment		282,800,000		282,800,000
Market value of quoted investment	-	-	-	-



## 11 Deferred tax Asset

Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
<b>Deferred tax Asset</b>		
Unamortised processing fees	40,486,939	34,354,934
Provision for retirement benefits	56,779	42,598
<b>Total</b>	<b>40,543,719</b>	<b>34,397,532</b>

## 12 Other non current assets

Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
Balances with banks		
- in deposit accounts exceeding twelve months maturity	14,781,610	14,781,610
Interest accrued but not due on fixed deposits	1,938,974	941,215
<b>Total</b>	<b>16,720,584</b>	<b>15,722,825</b>

## 13 Long term loans and advances

Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
<b>Long term loans and advances</b>		
(Unsecured considered good unless stated otherwise):		
Security Deposits	500,000	500,000
Advance Tax (net of provision for tax)	8,825,503	9,642,480
<b>Total</b>	<b>9,325,503</b>	<b>10,142,480</b>

## 14 Current Investments

Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
<b>Investments in Mutual funds:</b>		
(Valued at cost or Net Asset Value whichever is less)		
Reliance Liquid Fund- Treasury Plan-Direct Growth Plan (Quantity - 11815.274 units, (Previous year - 16412.285 units))	50,000,000	64,500,000
Invesco Mutual Fund Liquid Fund - Direct Plan Growth (Quantity - 20936.090 units, (Previous year - 28860.215 units))	50,000,000	64,000,000
Mahindra Liquid Fund - Growth (Quantity - 44507.657 units, (Previous year - 61382.503 units))	50,000,000	64,000,000
LIC MF Liquid Fund Direct Growth Fund (Quantity - 15895.128 units, (Previous year - NIL units))	50,000,000	-
UTI Money Market Fund-Institutional Plan-Direct Plan-Growth (Quantity - 25688.047 units, (Previous year - NIL units))	50,000,000	-
HSBC Cash Plan-Growth Direct Plan (Quantity - 28931.905 units, (Previous year - NIL units))	50,000,000	-
Aditya Birla Sun Life Cash Plus-Growth Direct Plan (Quantity - 35865.562 units, (Previous year - NIL units))	10,000,000	-
SBI Premier Liquid Fund-Direct Plan-Growth (Quantity - 14711.704 units, (Previous year - NIL units))	40,000,000	-
DHFL Pramarica Insta Cash Plus Fund-Direct Plan-Growth (Quantity - 44350.795 units, (Previous year - NIL units))	10,000,000	-
IDBI Liquid Fund-Direct Plan-Growth (Quantity - 5381.136 units, (Previous year - NIL units))	10,000,000	-
<b>Total</b>	<b>370,000,000</b>	<b>192,500,000</b>
Net Asset Value of units in mutual funds	370,574,409	194,335,495

## 15 Trade receivables

Particulars	Amount in Rupees	
	As at March 31, 2018	As at March 31, 2017
<b>Trade receivables</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
- Unsecured, considered good	-	-
- Unsecured, considered doubtful	-	-
	-	-
<b>Other debts</b>		
- Unsecured, considered good	84,518,780	4,633,696
- Unsecured, considered doubtful	1,500,000	-
	86,018,780	4,633,696
Less: Provision for doubtful advances	(1,500,000)	-
<b>Total</b>	<b>84,518,780</b>	<b>4,633,696</b>

## 16 Cash and Bank Balances

Amount in Rupees

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Cash and Cash Equivalent</b>		
Balances with banks		
- in current accounts	522,748	618,272
<b>Total</b>	<b>522,748</b>	<b>618,272</b>

## 17 Short term loans and advances

Amount in Rupees

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Short term loans and advances</b>		
(Unsecured considered good unless stated otherwise) :		
Advances recoverable in cash or kind or for value to be received		
- Unsecured, considered good	282,202	64,987,282
- Unsecured, considered doubtful	96,684	96,684
	378,886	65,083,966
Less: Provision for doubtful advances	(96,684)	(96,684)
<b>Total</b>	<b>282,202</b>	<b>64,987,282</b>

## 18 Revenue from operations:

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Revenue from operations:</b>		
<b>Sale of Services:</b>		
Fee Income	220,558,691	133,629,689
<b>Total</b>	<b>220,558,691</b>	<b>133,629,689</b>

## 19 Other Income:

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit on sale of investments	19,286,694	13,048,424
Interest income on fixed deposits	1,108,624	1,045,795
Interest on Income Tax Refund	-	341,575
Liabilities written back	-	146,113
Miscellaneous income	115,725	570,903
<b>Total</b>	<b>20,511,043</b>	<b>15,152,810</b>

## 20 Employee Benefit Expenses:

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and bonus	18,180,124	15,096,061
Contribution to provident and other funds	327,090	-
<b>Total</b>	<b>18,507,214</b>	<b>15,096,061</b>

## 21 Finance Costs:

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Bank charges	932	9,081
<b>Total</b>	<b>932</b>	<b>9,081</b>

## 22 Other expenses:

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	1,987,593	2,177,528
Repair and maintenance	-	64,649
Rates and taxes	57,227	3,440
Auditor's remuneration		
- as auditor	250,000	250,000
- Tax audit fees	50,000	50,000
- for reimbursement of expenses	16,000	15,300
Directors sitting fees	360,000	360,750
Legal and professional charges	326,066	279,009
Provision for doubtful advances	1,500,000	-
Sundry balances written off	-	4,210
Donation (Refer Note below)	900,000	-
<b>Total</b>	<b>5,446,886</b>	<b>3,204,886</b>

## Notes:

(i) During the year, the Company has contributed Rs. 900,000 (Previous Year: Rs. Nil) towards Corporate Social Responsibility ('CSR') expenditure being revenue in nature under Section 135 of the Companies Act, 2013 read with Schedule VII to the said Act.

## (ii) Details of CSR spent during the financial year:

a) Gross amount required to be spent by the company during the year is Rs. 881,379

b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	900,000	-	-

## 23

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Earnings per equity share (EPS):</b>		
<b>Basic and Diluted EPS</b>		
Profit for the year	176,550,889	143,130,002
Less: Dividend on preference shares	15,600,000	15,600,000
<b>Net Profit considered for Basic EPS</b>	<b>160,950,889</b>	<b>127,530,002</b>
Weighted average number of equity shares	55,355,600	55,355,600
Nominal value per equity share (Rs.)	10	10
Earnings per equity share - (Rs.)	2.91	2.30

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

**24 Contingent liabilities***Amounts in Rupees*

Particulars	As at March 31, 2018	As at March 31, 2017
Income-tax matters under dispute*	905,738	905,738
Dividend on 13% Cumulative, Non Convertible and Redeemable Preference Shares	78,299,178	62,699,178

\* Future cash outflows are determinable only on receipt of judgements /decisions pending with various forums/authorities.

**25 Related Party Disclosures**

Names of related parties where control exists:

Relationship	Name of the Party
Ultimate Holding Company	Cloverdell Investment Ltd. (Upto May 17, 2017)
Holding Company	Capital First Limited
Subsidiary	Capital First Commodities Limited
Fellow Subsidiary	Capital First Home Finance Limited

Refer Annexure 1 & 1A for the transactions with related parties

**26 Segment Reporting**

Since the Company has only one reportable business segment of advisory, business support services and loan syndication as primary segment and it operates in a single geographical segment within India, no disclosure is required to be given as per Accounting Standard - 17 'Segmental Reporting' as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rules, 2016.

**27 Dues to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2018. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

**28 Other Provisions**

The provision for contingencies created to the extent of stamp duty on trades done in earlier years, stamp duty pertains to states wherein procedure and payment is not prescribed. The Management on a conservative basis has created the provision for the same.

**29 Post-employment benefit plans**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service. Gratuity expense has been included in 'Contribution to provident fund and other funds' under Personnel expenses.

The following table summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.

**A. Change in Present Value of Obligation**

Amount in Rupees

Changes in Benefit Obligation	For the year ended March 31, 2018	For the year ended March 31, 2017
Liability at the beginning of the year	147,705	
Current Service Cost	42,394	42,848
Interest Cost	11,285	
Prior Service cost - Vested Benefit	-	104,856
Benefit Paid	-	-
Actuarial (gain)/loss on obligations	(4,507)	-
Liability at the end of the year	196,877	147,705

**B. Amount recognised in the Statement of Profit and Loss**

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Service Cost	42,394	42,848
Past Service cost		104,856
Interest Cost on obligation	11,285	
Actuarial (Gain) or Loss	(4,507)	-
Expense Recognised in Profit and Loss Account	49,172	147,704

**C. Fair value of Plan Assets**

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Fair value at the beginning of the year	-	-
Actual Return on plan assets	-	-
Employer Contribution	-	-
Employee Contribution	-	-
Benefit Paid	-	-
Fair Value of plan assets at the end of the year	-	-
Excess of actual over estimated return on plan assets	-	-

**D. Reconciliation of Balance Sheet**

Amount in Rupees

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of the Obligation as at the beginning of the year	147,705	-
Total expense recognised in the Statement of Profit and Loss	49,172	147,705
Benefits paid	-	-
Present Value of the Obligation as at the end of the year	196,877	147,705

The principal assumptions used are as below:

Actuarial Assumptions	March 31, 2018	March 31, 2017
Future Salary Rise	8%	8%
Rate of Discounting	7.87%	7.64%

Experian adjustment on present value of benefit obligation and plan assets

Actuarial Assumptions	March 31, 2018	March 31, 2017
(Gain) / Loss on Plan Liabilities	1	3,227
% of Opening Plan Liabilities	0%	2.18%
(Gain) / (Loss) on Plan Assets	-	-
% of Opening Plan Assets	0%	0%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the Company has not funded its gratuity liability there are no returns on the planned assets and hence the details related to changes in fair value of assets have not been given.

**30** The Company's pending litigations comprise of claims against the Company primarily proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements. Refer note 24 for details on contingent liabilities.

**31** The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses

**32** The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited Standalone financial statements for the year ended 31 March 2017 have been disclosed:-

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination notes</b>	<b>Total</b>
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	50000	50000
(-) Permitted payments	Nil	50000	50000
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

**33** Previous year's amounts have been audited by predecessor auditors

**34 Prior period comparatives**

Figures for previous year/ year have been regrouped and/or reclassified wherever considered necessary, to conform to current year' classification.

CAPITAL FIRST SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Annexure 1

Transactions with Related parties

Amount in Rupees

Relationship	Holding Company		Subsidiaries/ Fellow Subsidiaries		Key Management Personnel	
	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017
Sale of goods/services	121,220,845	110,262,275	15,850,000	4,565,000	-	-
Purchase of goods/services	11,087,958	10,384,423	-	-	-	-
Loans/ Advances Given	57,113,000	4,564,931	-	-	-	-
Receipt / (Payment) against sales / purchase of Good & Services	147,535,986	-	-	-	-	-
Loans/ Advances Taken / Received back	7,388,000	4,564,931	-	-	-	-
Directors remuneration	-	-	-	-	-	100,000
<b>Closing Balances : Receivable / (Payable)</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
Advances Recoverable / (Payable )	80,387,780	60,006,643	4,104,000	4,530,750	-	-

## CAPITAL FIRST SECURITIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

## Annexure 1A

## Transactions with Related parties

Amount in Rupees

Particulars	Holding Company		Subsidiaries/ Fellow Subsidiaries		Key Management Personal	
	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017	April 01,2017 to March 31, 2018	April 01,2016 to March 31, 2017
<b>Sale of goods/services</b>						
Capital First Limited	121,220,845	110,262,275	-	-	-	-
Capital First Home Finance Limited	-	-	15,850,000	4,565,000	-	-
<b>Total</b>	<b>121,220,845</b>	<b>110,262,275</b>	<b>15,850,000</b>	<b>4,565,000</b>	-	-
<b>Purchase of goods/services</b>						
Capital First Limited	11,087,958	10,384,423	-	-	-	-
<b>Total</b>	<b>11,087,958</b>	<b>10,384,423</b>	-	-	-	-
<b>Receipt / (Payment) against sales / purchase of Good &amp; Services</b>						
Capital First Commodities Limited	-	-	-	-	-	-
Capital First Limited	147,535,986	-	-	-	-	-
<b>Total</b>	<b>147,535,986</b>	-	-	-	-	-
<b>Loans/ Advances Given</b>						
Capital First Limited	57,113,000	4,564,931	-	-	-	-
<b>Total</b>	<b>57,113,000</b>	<b>4,564,931</b>	-	-	-	-
<b>Loans/ Advances Received Back</b>						
Capital First Limited	7,388,000	4,564,931	-	-	-	-
<b>Total</b>	<b>7,388,000</b>	<b>4,564,931</b>	-	-	-	-
<b>Managerial Remuneration</b>						
Mr. Anand Rai	-	-	-	-	-	100,000
<b>TOTAL</b>	-	-	-	-	-	<b>100,000</b>
<b>Closing Balance</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Advances Recoverable</b>						
Capital First Limited	80,387,780	60,006,643	-	-	-	-
Capital First Home Finance Limited	-	-	4,104,000	4,530,750	-	-
<b>Total</b>	<b>80,387,780</b>	<b>60,006,643</b>	<b>4,104,000</b>	<b>4,530,750</b>	-	-