

ALMONDZ FINANZ LIMITED

**Audited Financial Statements
for the financial year ended on 31st March, 2016**

AVK & ASSOCIATES

Chartered Accountants

**101-102, Express Arcade, H-10, Neta Ji Subhash Place,
Pitampura, Delhi 110034**

INDEPENDENT AUDITOR'S REPORT

To the Members,
Almondz Finanz Limited

Report on Financial Statements

We have audited the accompanying financial statements of the company **Almondz Finanz Limited** ("the company"), which comprises the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor



AVK & ASSOCIATES

Chartered Accountants

101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034
Ph. 42471074, 42471075

considers internal financial control relevant to the Company's preparation of the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its Profit for the year ended on that date.

Report on other Legal and Regulatory Matters

1. As required by the Companies (Auditors' Report) Order, 2016 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 purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.



AVK & ASSOCIATES
Chartered Accountants
101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034
Ph. 42471074, 42471075

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- (i) There are no pending litigations affecting financial position hence no disclosure is required to be made.
- (ii) There are no long term contracts including derivatives contracts hence no provision is required to be made.
- (iii) The clause is not applicable as there is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N



Parul Gupta
(Partner)
Membership No. 095539

Place: New Delhi
Dated: 25.05.2016



AVK & ASSOCIATES
Chartered Accountants
101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034
Ph. 42471074, 42471075

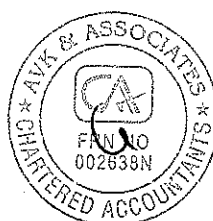
Annexure - A to the Independent Auditors' Report

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification with respect records of books.
- (c) The company has not possessed any immovable properties during the year.
- (ii) The Company has conducted verification of stock-in-trade comprising shares, bonds and other securities at reasonable intervals. As informed to us management no material discrepancies were noted on such verification. The procedures for verification of stock-in-trade followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business, and inventories are properly dealt with in the books of account.
- (iii) The Company has granted loans to two bodies corporate (details of which given here-in-under) which are covered in the register maintained under section 189 of the Companies Act, 2013:

(Amount in Rs.)

S. No.	Name of Parties	Opening Balance	Loan Given During the year	Maximum Amount Outstanding	Closing Balance as on 31/03/2016
1.	Almondz Global Securities Limited	Nil	600,00,000	300,00,000	Nil
2.	Yug Infrastructure Private Limited	Nil	40,00,000	33,00,000	Nil

- (a) in our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the Company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
- (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) This clause is not applicable, since Company's ordinary course of business is providing loans and in respect of such loans interest has been charged at a rate not less than



AVK & ASSOCIATES
Chartered Accountants
101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034
Ph. 42471074, 42471075

bank rate declared by the Reserve Bank of India. Moreover, company has not given directly or indirectly any loan to any person exceeding sixty per cent of its paid-up capital, free reserves and security premium account.

- (v) According to the information given to us, the Company has not accepted any deposits from the public.
- (vi) The provisions of Section 148(1) of the Companies Act, 2013 regarding maintenance of cost records are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the extent applicable, have generally been regularly deposited.

(b) According to the information and explanations given to us, the Company does not have any Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited with the appropriate authority on account of any dispute.
- (viii) According to information and explanations given to us, the Company has not defaulted in repayment of dues to bank and financial institutions.
- (ix) The clause is not applicable, since the company has not raised any money by way of initial public offer or further public offer or by way of term loan during the year.
- (x) Based on the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officer or employee has been noticed or reported during the course of our audit.
- (xi) This clause is not applicable, since Company has not paid any managerial remuneration to any of its managerial personnel.
- (xii) This clause is not applicable, since Company is not a Nidhi Company therefore it not required to comply with the requirement of the Net Owned Funds to Deposits in the ratio of 1:20 etc.
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.



AVK & ASSOCIATES

Chartered Accountants

101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034

Ph. 42471074, 42471075

- (xiv) This clause is not applicable, since company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanations given to us, company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is already registered under section 45-IA of the Reserve Bank of India Act, 1934.

For AVK & Associates

Chartered Accountants

Firm Registration No. 002638N



Parul Gupta

(Partner)

Membership No. 095539



Place: New Delhi

Dated: 25.05.2016

Annexure – B to the Auditors' Report

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of the company **Almondz Finanz Limited** as at 31 March 2016 in conjunction with our audit of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the company is responsible for establishing and maintaining internal financial controls based on 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 ('the 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 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 by the Guidelines issued the Companies Act, 2013 ('the Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, 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.



AVK & ASSOCIATES

Chartered Accountants

101,102, Express Arcade, H-10, Netaji Subhash Place, Pitampura, Delhi 110034

Ph. 42471074, 42471075

To the Board of Directors,
Almondz Finanz Limited

We have audited the Balance Sheet of Almondz Finanz Limited as at March 31, 2016, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 issued by the Reserve Bank of India and we submit as under:

- I. The company is engaged in the business of non-banking financial institution and it has obtained a Certificate of Registration (COR) from the Reserve bank of India.
- II. The company is entitled to continue to hold such COR in terms of its asset / income pattern as on March 31, 2016.
- III. The Board of Directors has passed a resolution for non- acceptance of any public deposit.
- IV. The company has not accepted any public deposits during the year ended on 31-3-2016.
- V. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- VI. The company is not a Systemically Important Non-deposit taking NBFCs as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 therefore the clause is not applicable to the company.

For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N


Parul Gupta

(Partner)

Membership No. 095539



Place : New Delhi
Dated : 25.05.2016

Almondz Finanz Limited
Balance Sheet as at 31 March 2016

(Amounts in Indian Rupees)

Particulars	Note No.	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.01	300,000,000	300,000,000
Reserves and surplus	2.02	57,008,646	68,504,278
		<u>357,008,646</u>	<u>368,504,278</u>
Non-current liabilities			
Long-term provisions	2.03	1,371,692	1,650,804
		<u>1,371,692</u>	<u>1,650,804</u>
Current liabilities			
Short-term borrowings	2.04	139,758,913	275,256,102
Trade payables	2.05	222,600	5,486,010
Other current liabilities	2.06	62,965,395	3,762,099
Short-term provision	2.07	11,319,402	8,931,127
		<u>214,266,310</u>	<u>293,435,338</u>
		<u>572,646,648</u>	<u>663,590,420</u>
ASSETS			
Non-current assets			
Fixed assets			
-Tangible assets	2.08	118,029	88,601
Non-current investments	2.09	20,000,000	24,362,440
Deferred tax assets (net)	2.10	331,820	361,829
Long-term loans and advances	2.11	65,000	245,000
		<u>20,514,849</u>	<u>25,057,870</u>
Current assets			
Inventories	2.12	221,573,744	356,374,402
Cash and cash equivalents	2.13	5,429,529	42,025,022
Short-term loans and advances	2.14	305,783,427	217,929,286
Other current assets	2.15	19,345,099	22,203,840
		<u>552,131,799</u>	<u>638,532,550</u>
		<u>572,646,648</u>	<u>663,590,420</u>
Significant accounting policies	1		
Notes to financial statements	2		

As per our report of even date annexed

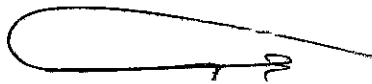
For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N


Parul Gupta
Partner

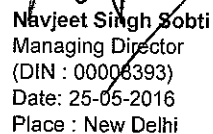
Membership No. 095539
Date: 25-05-2016
Place : New Delhi

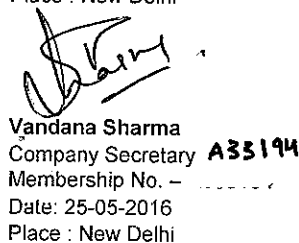


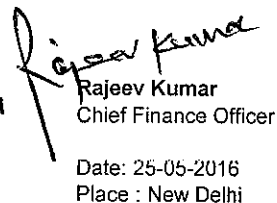
For and on behalf of Board of Directors of
Almondz Finanz Limited



Govind Prasad Agrawal
Director
(DIN : 00008429)
Date: 25-05-2016
Place : New Delhi


Navjeet Singh Sobti
Managing Director
(DIN : 00006393)
Date: 25-05-2016
Place : New Delhi


Vandana Sharma
Company Secretary **A33194**
Membership No. -
Date: 25-05-2016
Place : New Delhi


Rajeev Kumar
Chief Finance Officer
Date: 25-05-2016
Place : New Delhi

Almondz Finanz Limited
Statement of Profit and Loss for the year ended on 31 March, 2016

(Amounts in Indian Rupees)

Particulars	Note No.	Year ended 31 March 2016	Year ended 31 March 2015
Income			
Revenue from operations	2.16	57,012,062	132,471,951
Other income	2.17	791,317	13,487,635
Total Income		57,803,379	145,959,586
Expenses			
Employee benefits expenses	2.18	13,948,252	17,767,297
Finance cost	2.19	8,720,853	44,269,719
Depreciation and amortisation expenses	2.20	48,061	42,972
Other expenses	2.21	32,959,798	14,887,127
Total expenses		55,676,964	76,967,115
Profit before extraordinary, prior period items and taxes		2,126,415	68,992,471
Prior period (income)/ expense		980	-
Cash loss from theft		4,243	-
Profit / (Loss) Before Tax		2,121,192	68,992,471
Tax expense:			
Current tax		12,758,484	23,229,149
Current tax for previous year		828,331	775,662
Deferred tax charged/ (credit)		30,009	(36,321)
Profit for the year		(11,495,632)	45,023,981
Earnings per equity share	2.22		
- Basic		(0.38)	1.60
- Diluted		(0.38)	1.60
Significant accounting policies	1		
Notes to financial statements	2		


As per our report of even date annexed

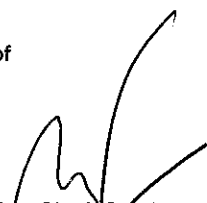
For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N

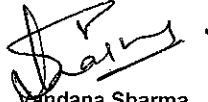

Parul Gupta
Partner
Membership No. 096539
Date: 25-05-2016
Place : New Delhi

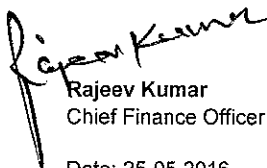


For and on behalf of Board of Directors of
Almondz Finanz Limited


Govind Prasad Agrawal
Director
(DIN : 00008429)
Date: 25-05-2016
Place : New Delhi


Navjeet Singh Sobti
Managing Director
(DIN : 00008393)
Date: 25-05-2016
Place : New Delhi


Vandana Sharma
Company Secretary A33194
Membership No. - A33194
Date: 25-05-2016
Place : New Delhi


Rajeev Kumar
Chief Finance Officer
Date: 25-05-2016
Place : New Delhi

Almondz Finanz Limited
Cash Flow Statement for the year ended 31st March, 2016

(Amounts in Indian Rupees)

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
Cash flow from operating activities		
Net Profit before tax & extra-ordinary items	2,126,415	68,992,471
Adjustment for :		
Add: Depreciation	48,061	42,972
Add: Provision for non performing assets	23,033,000	215,000
Add/(Less): Loss / (Profit) on sale in Investments	(541,719)	(13,487,635)
Add/(Less): Provision for employee benefits	(60,654)	932,521
Interest & finance cost paid	8,720,853	44,269,719
Less: Employee benefits paid	(30,332)	-
Operating profit before working capital changes	33,295,624	100,965,048
Adjustment for :		
(Increase) / Decrease in inventories	134,800,658	(127,714,279)
(Increase) / Decrease in other receivables	(108,416,478)	103,016,738
Increase / (Decrease) in current liabilities and provisions	(187,256)	-
Increase / (Decrease) in trade & other payables	53,939,886	(4,085,267)
Cash flow before Extra Ordinary items	113,432,434	72,182,240
Prior period income/ (expense)	(5,223)	-
Taxes paid	(10,631,332)	(19,393,715)
Net cash generated from operating activities	A 102,795,879	52,788,525
Cash flow from investing activities		
Sale / (Purchase) of fixed assets	(77,489)	(46,585)
Sale / (Purchase) of investments (net)	4,904,159	67,178,284
Net cash from / (used in) investing activities	B 4,826,670	67,131,699
Cash flow from financing activities		
Proceeds from issuance of capital	-	100,000,000
Proceeds from short term borrowings	(135,497,189)	(154,761,734)
Interest paid	(8,720,853)	(44,269,719)
Net Cash from financing activities	C (144,218,042)	(99,031,453)
Net Cash inflows during the year (A+B+C)	(36,595,493)	20,888,771
Cash and cash equivalents (opening balance)	42,025,022	21,136,251
Cash and cash equivalents (closing balance)	5,429,529	42,025,022

Notes :

1. The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', of the Companies (Accounting Standards) Rules, 2006.

2. Cash and cash equivalents include :

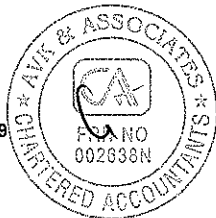
Cash in hand	402,648	308,217
Cheques in Hand	560,500	-
Balances with scheduled banks		
-on current account	4,294,583	41,544,807
-on overdraft account	171,798	171,998
Cash and bank balances at the end of the year	5,429,529	42,025,022

As per our report of even date annexed

For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N

For and on behalf of Board of Directors of
Almondz Finanz Limited

Parul Gupta
Partner
Membership No. 095539
Date: 25-05-2016
Place : New Delhi



Govind Prasad Agrawal
Director
(DIN : 00008429)
Date: 25-05-2016
Place : New Delhi

Vanana Sharma
Company Secretary
Membership No. 433194
Date: 25-05-2016
Place : New Delhi

Navjeet Singh Sobti
Managing Director
(DIN : 00008393)
Date: 25-05-2016
Place : New Delhi

Rajeev Kumar
Chief Finance Officer
Date: 25-05-2016
Place : New Delhi

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting & Convention

The financial statements have been prepared to comply in all material respect with the Notified accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and prudential norms for asset classifications, income recognition, valuation of investments, provisioning for bad and doubtful assets as prescribed by Reserve Bank of India for Non Banking Finance Company.

The financial statements have been prepared under historical cost convention on accrual basis unless otherwise stated hereinafter. The accounting policies are consistently applied by the company with those applied in the previous year except otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

The company is a subsidiary of a company whose shares are listed on Stock Exchange. Accordingly the company has complied with the applicable Accounting Standards.

1.2 Use of Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for assets and estimated useful life of fixed assets. Actual results could differ from these estimates. Adjustments as a result of differences between actual and estimates are made prospectively.




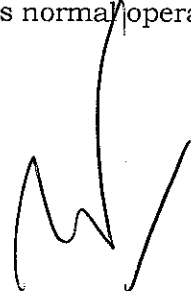

1.3 Current/ Non-current classification

All assets and liabilities are classified as current and non-current.

i) Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;



Almondz Finanz Limited (Contd.)

- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

ii) Liabilities

A liability is classified as current when it satisfies any of the following criteria.

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities includes current portion of non-current financial liabilities. All other liabilities are classified as non-current.

iii) Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.





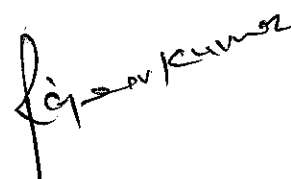
1.4 Fixed Assets

i) Tangible assets

Tangible assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use. Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily take a substantial period of time to be ready for their intended use are capitalised as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on tangible assets

- (a) Leasehold improvements are depreciated over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.
- (b) Depreciation is provided based on useful life of assets on Straight Line Method (SLM). The useful life of assets is taken as prescribed in Schedule II to the Companies Act, 2013.

ii) Intangible assets and its amortisation

Intangible assets are recorded at cost and are amortised over the period the Company expects to derive economic benefits from their use.

- iii) Advances paid towards acquisition of fixed assets and cost of assets not ready for use before the year end, are disclosed as capital work in progress.

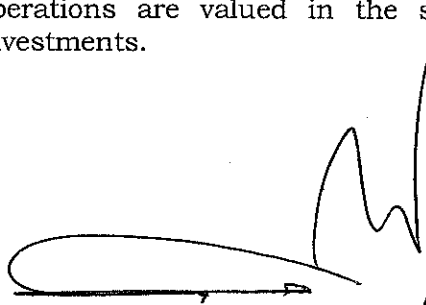
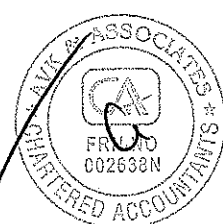


1.5 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization loss had been recognized.

1.6 Investments

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made are classified as long-term investments. All long-term investments are classified as non-current investments in the Balance Sheet. The portions of long-term investments which are expected to be realised within twelve months from the Balance Sheet date are classified as current investments. Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares, unquoted shares, government securities and non government securities/bonds. The diminution in current investments is charged to the Statement of Profit and Loss and appreciation, if any, is recognised at the time of sale. Long-term investments, including investments in subsidiaries, are valued atcost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health of and specific prospects of the issuer.

Investments, which are held as stock in trade as part of the business operations are valued in the same manner as are relatable to Current Investments.

Almondz Finanz Limited (Contd.)

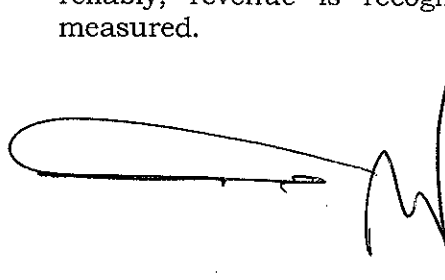
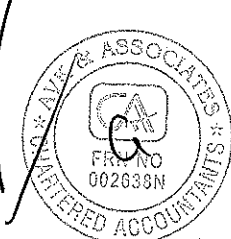
- i) The Cost is arrived at FIFO method and is inclusive of brokerage, transfer expenses & Demat Charges, if any. The fair value is arrived at with reference to the market value, if available, quotation in any stock exchange or any other available information to indicate a transaction between unrelated willing buyer & willing seller at arm's length price.
- ii) In case of unquoted investments, the fair value is arrived on the basis of break up value as per latest available audited balance sheet of the investee company.
- iii) Interest accrued and/or broken period interest paid on unsold securities is recognized as "Interest Accrued on Investment" under Other Current Assets.

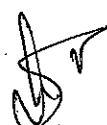
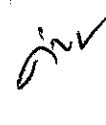
1.7 Revenue Recognition

Income / revenue is generally accounted on accrual as they are earned except income from non-performing assets as defined in the guidelines of the Reserve Bank of India on prudential norms for income recognition of Non Banking Financial Companies & penal interest on delayed payments which are accounted for on cash basis.

The income is deemed as earned:

- a) In the case of Loans advanced / interest bearing securities / deposits, the interest is recognized as earned on day to day basis. In case of interest on investments held as stock in trade, broken period interest on every purchase or sale is split from the price as accrued interest paid or realised. Such broken period accrued interest paid on purchase & received subsequently on its sale is netted and reckoned as income.
- b) In the case of trading in bonds, the profit/ loss from the transaction is recognised on the closure of the deal and consequent physical delivery of the bond.
- c) Revenue on account of trading in shares is recognized on the basis of each trade executed at the stock exchange during the financial year.
- d) In respect of non delivery based transactions such as derivatives, the profit and loss is accounted for at the completion of each settlement, however in case of an open settlement the net result of transactions which are squared up on FIFO basis is recognized as Profit/Loss in the account.
- e) Advisory and consultancy services: Fees is booked on the completion of task / project as per the terms of agreement. However, where the percentage of completion is significant enough to ascertain the outcome reliably, revenue is recognised to the extent it can be accurately measured.

Almondz Finanz Limited (Contd.)

- f) Dividend income is recognized when the right to receive the income is established.
- g) In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues.

1.8 Provision for standard and non-performing assets

Provisions for standard and non-performing assets are created in accordance with the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets.

1.9 Expenditure

Expenses are recognized on accrual basis and provisions are made for all known losses and liabilities. Expenses incurred on behalf of other companies, in India, for sharing personnel, common services and facilities like premises, telephones, etc. are allocated to them at cost and reduced from respective expenses. Expenses allocation received from other companies is included within respective expense classifications.

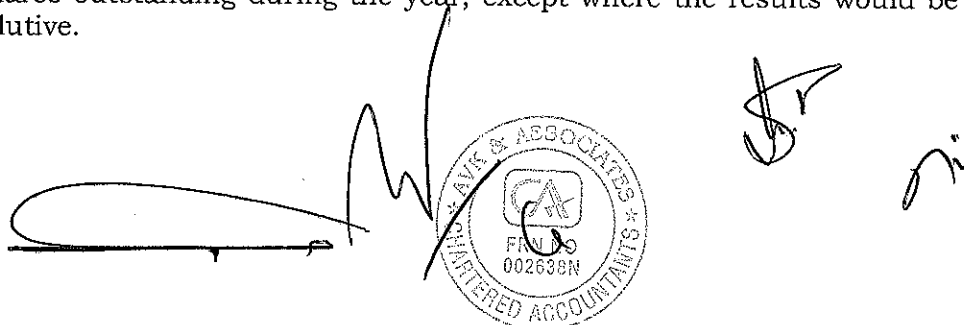
1.10 Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction or production of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for intended use or sale.

All other borrowing costs are recognized as expense for the period in which they are incurred calculated taking into account the amount outstanding and the rate applicable on the borrowing.

1.11 Earning per share

Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.



A handwritten signature is written over a circular stamp. The stamp contains the text "CA", "FIRMS", "002638N", and "CHARTERED ACCOUNTANTS". To the right of the stamp, there are two more handwritten initials or signatures.

Almondz Finanz Limited (Contd.)

1.12 Taxation

Tax expense comprises current tax and deferred tax. Current tax is the amount of tax for the year determined in accordance with the provisions of income tax laws based on the estimated taxable income, as the case may be, after taking into consideration, estimates of benefits/ deductions admissible under the provisions of Income Tax, 1961. Deferred Tax charge or credit reflects the tax effects of impact of timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Any major deficiency or reversal in relation to the estimate of preceding year(s) is shown separately as relating to earlier years.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized 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. If the company has carry forward of unabsorbed depreciation and tax losses deferred tax are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the company reassesses unrecognized deferred tax assets. It recognizes deferred tax assets to the extent it has become reasonable 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.

The carrying amount of deferred tax assets are review at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonable 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.

1.13 Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

(a) Short term benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Almondz Finanz Limited (Contd.)

(b) Provident fund (Defined contribution plan)

Provident fund is a defined contribution plan. The contribution towards provident fund which are being deposited with the Regional Provident Fund Commissioner are charged to the Statement of Profit and Loss.

(c) Gratuity (Defined benefit plan)

Gratuity is defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

The Company makes contribution to an insurer managed funds for discharging its gratuity liability.

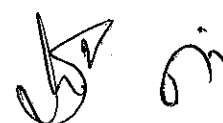
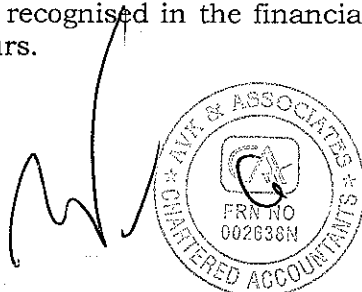
(d) Compensated absences (other long-term benefits)

The Company provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, the defined benefit obligation is calculated taking into account the pattern of avilment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected upto the assumed date of encashment. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

1.14 Provisions and Contingent Liabilities

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the financial statements of the period in which the change occurs.



Almondz Finanz Limited (Contd.)

1.15 Segment Reporting

- a) Segments are identified by the management, keeping in view the dominant source and nature of risks and returns and the internal organization and management structure.
- b) Revenue and expenses have been identified to a segment on the basis of relationship to the operating activities of the segment.
- c) Revenue and expenses, which relate to the company as a whole and are not allocable to a segment on reasonable basis, have been disclosed as 'Unallocable'.
- d) Segment assets and liabilities represent assets and liabilities in respective segments. Tax related assets, and other assets and liabilities that are not reported or cannot be allocated to a segment on a reasonable basis, have been disclosed as 'Unallocable'.

1.16 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

As per our report of even date annexed.

**For AVK & Associates
Chartered Accountants**

Firm Registration No. 002638N


Parul Gupta
Partner

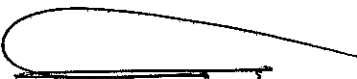
Membership No. - 095539

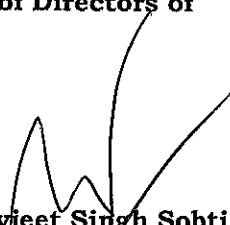
Date: 25.05.2016

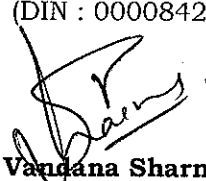
Place: New Delhi

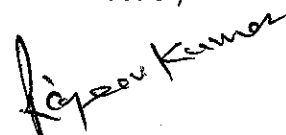


**For and on behalf of Board of Directors of
Almondz Finanz Limited**


Govind Prasad Agrawal
(Director)
(DIN : 00008429)


Navjeet Singh Sobti
(Managing Director)
(DIN : 00008393)


Vandana Sharma
(Company Secretary)
Membership No. - 1229194
Date: 25.05.2016 **A33194**
Place: New Delhi


Rajeev Kumar
(CFO)

Almondz Finanz Limited
2. Notes to financial statements

(Amounts in Indian Rupees)

2.01 Share Capital	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10/- each				
At the beginning of the year	30,000,000	300,000,000	20,000,000	200,000,000
Add: Issued during the year	-	-	10,000,000	100,000,000
At the end of the year	30,000,000	300,000,000	30,000,000	300,000,000
Issued, subscribed and paid-up				
Equity shares of Rs. 10/- each fully paid up				
At the beginning of the year	30,000,000	300,000,000	20,000,000	200,000,000
Add: Issued during the year	-	-	10,000,000	100,000,000
At the end of the year	30,000,000	300,000,000	30,000,000	300,000,000

- Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company in the proportion of equity shares held by the shareholders.
- During the year ended 31 March 2016, the Company has recorded per share dividend of Rs. Nil (previous year: Rs. Nil) to equity shareholders.
- Shares held by ultimate holding company/holding company and their subsidiaries/associates

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Almondz Global Securities Limited (Holding company)*	30,000,000	300,000,000	30,000,000	300,000,000
	30,000,000	300,000,000	30,000,000	300,000,000

* Includes 600 shares held through nominees Mr. Govind Prasad Agrawal, Mr. Jagdeep Singh, Mr. Sunil Chandra, Mr. Navjeet Singh Sobti, Mr. Harjit Singh Sethi, Mr. Rohit Jain holding 100 shares each.

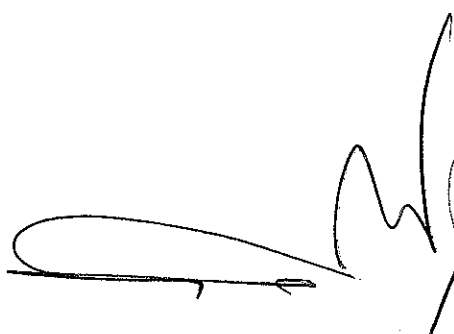
- Details of shareholders holding more than 5% shares of the Company

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Almondz Global Securities Limited*	30,000,000	100%	30,000,000	100%
	30,000,000	100%	30,000,000	100%

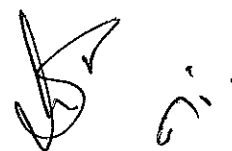
* Includes 600 shares held through nominees Mr. Govind Prasad Agrawal, Mr. Jagdeep Singh, Mr. Sunil Chandra, Mr. Navjeet Singh Sobti, Mr. Harjit Singh Sethi, Mr. Rohit Jain holding 100 shares each

- The reconciliation of the number of shares outstanding and the amount of share capital as at 31 March, 2016 and 31 March, 2015 is set out below

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	30,000,000	300,000,000	20,000,000	200,000,000
Add: Issued during the year	-	-	10,000,000	100,000,000
Number of share at the end	30,000,000	300,000,000	30,000,000	300,000,000







Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.02 Reserves and Surplus	As at 31 March 2016	As at 31 March 2015
a. Special Reserve (u/s 45-IC of RBI Act, 1934)		
Balance at the beginning of the year	14,454,355	5,451,368
Add: Transferred from Surplus*	-	9,002,987
Balance at the end of year	14,454,355	14,454,355
b. Surplus in the statement of Profit and Loss		
Balance at the beginning of Year	54,049,923	18,037,974
Add : Profit for the year	(11,495,632)	45,023,981
Less : Depreciation related to previous year (refers note no. 2.29 (iii))	-	9,045
Less : Appropriations	-	-
Special Reserve (u/s 45-IC of RBI Act, 1934)	-	9,002,987
Balance at the end of Year	42,554,291	54,049,923
	57,008,646	68,504,278

* Special reserve represents reserve fund created under section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). As per section, the company is required to transfer sum not less than twenty percent of its net profit to special reserve every year. This reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

2.03 Long-Term Provisions	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits		
Gratuity	783,042	805,186
Leave encashment	108,562	178,274
Contingent provisions for standard assets	480,088	667,344
	1,371,692	1,650,804

2.04 Short-Term Borrowings	As at 31 March 2016	As at 31 March 2015
Secured		
-from a bank	115,758,913	275,256,102
(Working capital limit of Rs. 30 crore from Dena Bank are secured by exclusive charge on Govt. Security in Demat form, State & Central Government guaranteed bonds/ PSU / SLU/ Non PSU and exclusively charge on receivables. The limits are additionally guaranteed by Sh. Navjeet Singh Sobti in his personal capacity and corporate guarantee of Almondz Global Securities Limited.		
	115,758,913	275,256,102
Unsecured		
Loans repayable on demand		
from holding company	24,000,000	-
	24,000,000	-
	139,758,913	275,256,102

2.05 Trade Payables	As at 31 March 2016	As at 31 March 2015
Trade payables	222,600	5,486,010
	222,600	5,486,010

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no trade payable and other current liabilities payable to Micro and Small Enterprises as at 31 March 2016 and 31 March 2015.

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.06 Other Current Liabilities	As at 31 March 2016	As at 31 March 2015
Expenses payable	1,418,549	1,889,851
Advance received	158,020	26,342
Bank Overdraft	60,710,303	-
Statutory liabilities	245,455	508,183
Interest accrued and due (net of tax deducted at source)		
- Payable to holding company	433,068	1,337,723
- Payable to others	-	-
	<u>62,965,395</u>	<u>3,762,099</u>

2.07 Short-Term Provisions	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits		
Gratuity	86,848	64,483
Leave encashment	39,420	60,915
Provision for income tax	11,193,134	8,805,729
(Net of tax deducted at source of Rs. 15,65,350)		
	<u>11,319,402</u>	<u>8,931,127</u>

2.09 Non-Current Investments (valued at cost unless otherwise stated)	As at 31 March 2016	As at 31 March 2015
---	------------------------	------------------------

Investment in Equity Instruments

A. Quoted

Kwality Limited

(Formerly Kwality Dairy (India) Limited)

Nil (previous year 1,09,061) equity share of Re. 1 each fully paid up

- 4,362,440

Less: Provision for diminution in value of investment

Net Total

(A)

- 4,362,440

- 4,362,440

B. Unquoted

Shriram New Horizons Limited

(formerly New Horizons India Limited)

400,000 (previous year 400,000) equity share of Rs.10 each fully paid up

20,000,000 20,000,000

Less: Provision for diminution in value of investment

Net Total

(B)

20,000,000 20,000,000

20,000,000 20,000,000

Total

(A+B)

20,000,000 24,362,440

Aggregate book value of quoted investment in shares

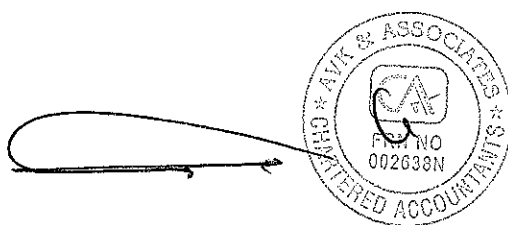
Aggregate market value of quoted investment in shares

Aggregate book value of unquoted investment in shares

- 4,362,440

- 4,100,694

20,000,000 20,000,000



Handwritten signatures and initials.

Almondz Finanz Limited
Notes to financial statements (contd.)

2.08 Tangible Assets

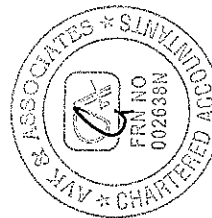
(Amounts in Indian Rupees)

Cost	As at 1 April 2014	Additions	Deletions	Adjustment*	As at 31 March 2015	Additions	Deletions	As at 31 March 2016
Furniture and fixtures	35,750	-	-	-	35,750	-	-	35,750
Computers and peripherals	83,100	28,000	-	-	111,100	77,489	-	188,589
Office equipments	36,300	18,585	-	-	54,885	-	-	54,885
Total	155,150	46,585	-	-	201,735	77,489	-	279,224

Depreciation	As at 1 April 2014	Additions	Deletions	Adjustment*	As at 31 March 2015	Additions	Deletions	As at 31 March 2016
Furniture and fixtures	9,715	4,560	-	-	14,275	4,192	-	18,467
Computers and peripherals	35,788	25,480	-	9,045	70,293	32,692	-	102,985
Office equipments	15,634	12,932	-	-	28,566	11,177	-	39,743
Total	61,117	42,972	-	-	113,134	48,061	-	161,195

Carrying Amounts	As at 31 March 2015	As at 31 March 2016
Furniture and fixtures	21,475	17,283
Computers and peripherals	40,807	85,604
Office equipments	26,319	15,142
Total	88,601	118,029

* Represents depreciation for earlier years



[Handwritten signature]

[Handwritten signature]

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.10 Deferred Tax Assets (Net)	As at 31 March 2016	As at 31 March 2015
Deferred tax asset		
Provision for employee benefits	330,248	359,769
Others	-	-
Gross deferred tax asset	330,248	359,769
Deferred tax liability		
Difference in the written down value of fixed assets as per the companies act, 2013 and the income tax act, 1961	(1,572)	(2,060)
Gross deferred tax liability	(1,572)	(2,060)
Net deferred tax asset/(liability)	331,820	361,829
Deferred tax asset not recognised on non performing assets	19,488,175	8,304,056

2.11 Long-Term Loans & Advances	As at 31 March 2016	As at 31 March 2015
Loan to employee (Unsecured considered good)	65,000	245,000
	65,000	245,000

2.12 Inventories (at Cost or net realisable value, whichever is lower)	As at 31 March 2016	As at 31 March 2015
(a) Equity Shares- quoted	12,546,589	5,626,532
(b) Corporate, Central Government & State Government Bonds	209,027,155	350,747,870
	221,573,744	356,374,402

Details of Securities held as Inventories is as follows-

(a) Equity Shares	Nos.		
International Paper APPM Limited	30,017	11,284,270	-
Magma Fincorp Limited	10,000	548,708	-
Shailyy Engineering Plastics Ltd.	4,500	528,500	-
Zee Media Corporation Ltd.	50,000	184,000	-
Dunlop India Limited	1,057	1,111	-
National Building Construction Corporation Limited	3,000	-	2,872,650
International Paper APPM Limited	7,270	-	2,294,412
Hindustan Media Ventures Limited	1,264	-	279,470
NIIT Limited	5,000	-	180,000
		12,546,589	5,626,532
(b) Bonds	Nos.		
8.39% PFC 2025	1000	50,100,000	
8.58% UTTAR PRADESH SDL 2026	500	51,335,000	
9.34% HDFC LTD 2024	500	52,701,250	
8.53% UTTAR PRADESH SDL 2026	450	39,366,250	
10% INDIA BULLS HOUSING FINANCE LTD	40	15,524,855	
10.00% Indian Overseas Bank Perpetual	202	-	197,017,670
10.75% IDBI Bank Perpetual	13	-	13,760,500
11.00% Bank of India Perpetual	68	-	73,780,000
9.15% Vijaya Bank	35	-	36,050,000
9.20% OBC 2024	29	-	30,139,700
		209,027,155	350,747,870



Handwritten signatures and initials.

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.13 Cash & Bank Balances	As at 31 March 2016	As at 31 March 2015
Cash and cash equivalents		
Cash in hand	402,648	308,217
Cheques/drafts in hand	560,500	-
Bank balances		
Current accounts	4,294,583	41,544,807
Overdraft account	171,798	171,998
Total - Cash & Cash Equivalents	5,429,529	42,025,022
Details of balance in current account is as under-		
Name of Bank		
Axis Bank Limited	3,659,639	276,846
Dena Bank Limited	395,320	39,087,068
HDFC Bank Limited	-	191,391
Punjab National Bank Limited	189,624	1,989,502
ICICI Bank Limited	50,000	-
	4,294,583	41,544,807
Details of balance in Overdraft account is as under-		
Name of Bank		
Punjab National Bank Limited	171,798	171,998
	171,798	171,998

2.14 Short-Term Loans & Advances	As at 31 March 2016	As at 31 March 2015
Loan to related parties	-	-
Loans to others		
Secured, considered good	29,500,000	109,500,000
Less Provision for non-performing assets	8,850,000	2,950,000
	20,650,000	106,550,000
Unsecured, Considered good	295,233,333	90,143,325
Less Provision for non-performing assets	20,833,333	3,700,333
	274,400,000	86,442,992
Advance to Holding Company	3,087,817	17,329,901
Other recoverable	506,668	-
Other advances	165,403	96,891
Loan to employee	180,000	250,000
Balance with service tax authority	391,938	337,936
Prepaid expenses	126,012	77,899
Tax refunds	6,275,589	6,843,667
	305,783,427	217,929,286

* Disclosure in respect of loans to related parties

Name of party	Outstanding amount as at 31 March 16	Maximum amount outstanding during the year ended on 31 March 16	Outstanding amount as at 31 March 15	Maximum amount outstanding during the year ended on 31 March 15
Almondz Commodities Private Limited	-	-	-	2,000,000
Skiffle Healthcare Services Limited	-	-	-	1,300,000
Yug Infrastructures Private Limited	3,300,000	3,300,000	-	-

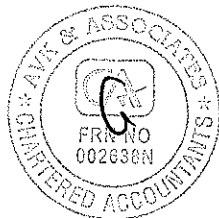


Handwritten signatures and initials.

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.15 Other Current Assets	As at	As at
	31 March 2016	31 March 2015
Interest accrued on loans	7,146,274	10,970,703
Less: Provision for non-performing assets	-	90,247
	<u>7,146,274</u>	<u>10,880,456</u>
Interest accrued on loans but not due	7,561,343	1,611,951
Interest accrued on securities held as stock in trade	4,637,482	9,711,433
	<u>19,345,099</u>	<u>22,203,840</u>



Page intentionally left blank

[Handwritten signature]

[Handwritten signature]

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.16 Revenue from Operations	Year ended 31 March 2016	Year ended 31 March 2015
Interest on loans (refer 2.16(a) below)	30,397,620	34,200,530
Net results in trading of shares/bonds (refer 2.16(b) below)	26,091,832	97,878,828
Other operating income (refer 2.16(c) below)	522,610	392,593
	<u>57,012,062</u>	<u>132,471,951</u>
(a) Interest on loans		
Interest earned for the year	41,607,123	46,450,258
Add: Interest on NPA loan reversed in earlier now written back	318,753	
Less: Interest reversed on Non performing assets	11,528,256	12,249,728
Net Interest on Loan	<u>30,397,620</u>	<u>34,200,530</u>
(b) Net results in trading of shares/securities		
Trading of shares		
Opening stock of shares	5,626,532	18,475,123
Add: Purchase of shares	91,529,976	105,119,873
	<u>97,156,508</u>	<u>123,594,996</u>
Less: Closing stock of shares	12,546,589	5,626,532
Cost of shares sold	84,609,919	117,968,464
Sale of shares	85,209,995	124,659,074
	<u>600,076</u>	<u>6,690,610</u>
Profit/(Loss) on derivatives	(1,041,026)	6,935,626
Profit/(Loss) on intraday transactions	(137,945)	(74,242)
Net Income/(Loss) from trading of shares (I)	<u>(578,895)</u>	<u>13,551,994</u>
Trading of securities		
Opening Stock of bonds	350,747,870	210,185,000
Add: Purchase of bonds	4,932,183,427	5,250,397,023
	<u>5,282,931,297</u>	<u>5,460,582,023</u>
Less: Closing stock of bonds	209,027,155	350,747,870
Cost of bonds sold	5,073,904,142	5,109,834,153
Sale of bonds	5,100,574,869	5,194,160,987
	<u>26,670,727</u>	<u>84,326,834</u>
Net Income/(Loss) from trading of securities (II)	<u>26,670,727</u>	<u>84,326,834</u>
TOTAL (I)+(II)	26,091,832	97,878,828
(c) Other operating income		
Dividend received	22,610	388,143
Processing and other fee	500,000	4,450
Total Operating Income	<u>522,610</u>	<u>392,593</u>

2.17 Other Income	Year ended 31 March 2016	Year ended 31 March 2015
Profit on sale of Investment	541,719	13,487,635
Excess provision for employee benefits written back	60,875	-
Provision Excess Written Back	187,256	-
Liability No Longer Payable	1,467	-
	<u>791,317</u>	<u>13,487,635</u>



[Handwritten signature]

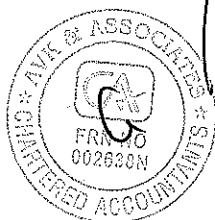
[Handwritten signature]

[Handwritten signature]

Almondz Finanz Limited
Notes to financial statements (contd.)

(Amounts in Indian Rupees)

2.18 Employee Benefit Expenses	Year ended 31 March 2016	Year ended 31 March 2015
Salaries, Wages, Bonus & Incentives	13,252,909	16,379,597
Contribution to provident and other funds	241,533	198,819
Staff welfare expenses	453,589	256,360
Gratuity	221	714,151
Leave encashment	-	218,370
	<u>13,948,252</u>	<u>17,767,297</u>
2.19 Finance Cost	Year ended 31 March 2016	Year ended 31 March 2015
Interest expense	8,452,984	42,971,920
Other finance costs	267,869	1,297,799
	<u>8,720,853</u>	<u>44,269,719</u>
2.20 Depreciation and Amortization Expense	Year ended 31 March 2016	Year ended 31 March 2015
Depreciation on tangible assets	48,061	42,972
	<u>48,061</u>	<u>42,972</u>
2.21 Other Expenses	Year ended 31 March 2016	Year ended 31 March 2015
Brokerage and commission	7,489,718	8,638,370
Bad Debts	616,450	-
Printing and stationery	10,232	12,603
Business promotion	-	1,341
Rate, taxes & fee	206,749	1,019,862
Legal and professional charges	838,883	4,406,375
Bank charges	21,902	35,505
Travelling and conveyance charges	167,504	134,044
Communication charges	213,598	225,951
Interest on Late deposit Govt. dues	8,649	-
Miscellaneous expenses	353,113	198,076
Provision for non performing assets	23,033,000	215,000
	<u>32,959,798</u>	<u>14,887,127</u>
2.22 Earning Per Share	Year ended 31 March 2016	Year ended 31 March 2015
Profit / (Loss) after tax	(11,495,632)	36,020,994
Weighted number of equity shares of Rs. 10 each outstanding during the year.	30,000,000	22,493,151
Basic earning per share	(0.38)	1.60
Diluted earning per share	(0.38)	1.60
2.23 Payment to Auditors	Year ended 31 March 2016	Year ended 31 March 2015
Statutory audit fee	100,000	100,000
Tax audit	15,000	15,000
Certification fee	2,200	3,000
Others(Including service tax)	88,182	14,585
	<u>205,382</u>	<u>132,585</u>



[Handwritten signatures]

2.24 Segment Information

As at 31 March 2016				
Particulars	Trading in Securities	Finance Activities	Unallocable	Total
Segment revenue				
Gross segment revenue	26,114,442	30,897,620	791,317	57,803,379
Less : Inter segment adjustment	-	-	-	-
Net segment revenue	26,114,442	30,897,620	791,317	57,803,379
Segment results				
Segment result before extra-ordinary items	(489,538)	5,402,652	(2,786,698)	2,126,415
Prior period expenses/cash loss in theft	-	-	(5,223)	(5,223)
Profit before tax	(489,538)	5,402,652	(2,791,921)	2,121,192
Less : Provision for tax	-	-	13,616,824	13,616,824
Profit after tax	(489,538)	5,402,652	10,824,903	(11,495,632)
Other information				
Segment assets	230,054,110	310,828,947	31,763,590	572,646,648
Segment liabilities	184,510,234	17,467,337	13,660,431	215,638,002
	45,543,876	293,361,611	18,103,159	357,008,646

As at 31 March 2015				
Particulars	Trading in Securities	Finance Activities	Unallocable	Total
Segment revenue				
Gross segment revenue	98,266,971	34,204,980	13,487,635	145,959,586
Less : Inter segment adjustment	-	-	-	-
Net segment revenue	98,266,971	34,204,980	13,487,635	145,959,586
Segment results				
Segment result before extra-ordinary items	46,261,363	13,609,786	9,121,321	68,992,471
Prior period income/(expense)	-	-	-	-
Profit before tax	46,261,363	13,609,786	9,121,321	68,992,471
Less : Provision for tax	-	-	23,968,490	23,968,490
Profit after tax	46,261,363	13,609,786	33,089,811	45,023,981
Other information				
Segment assets	423,102,594	207,474,901	33,012,925	663,590,420
Segment liabilities	280,883,434	3,765,069	10,437,640	295,086,142
	142,219,161	203,709,832	22,575,285	368,504,278



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

2.25 Employee Benefits as per Accounting Standard 15

As at 31 March 2016

As per the defined benefit gratuity plan of the company covering eligible employees in accordance with the payment of Gratuity Act, 1972, every employee who completes five year of service gets gratuity on departure at 15 days salary (last drawn) for each year of completed service.

i) **Changes in the present value of the defined benefit obligation are as follows:**

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Opening defined benefit obligation	74,286	48,290	79,161	52,048
Service Cost	15,742	10,219	14,740	10,800
Interest Cost	5,464	(1,041)	4,354	3,127
Actual return on plan assets	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gain)/loss on obligation	2,246	16,818	(22,268)	13,186
Closing defined benefit obligation *	97,738	74,286	75,987	79,161

* does not include liability provided in respect of employees transferred from holding company on deputation

ii) **Change in fair value of Plan assets - The benefit plan are yet to be funded.**

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Opening fair value of plan assets	-	-	-	-
Expected return	-	-	-	-
Contributions by employer	-	-	-	-
Benefits paid	-	-	-	-
Actuarial (gain)/losses	-	-	-	-
Closing fair value of plan assets	-	-	-	-

iii) **Profit & Loss Account**

Net employee benefit expenses debited to Profit & Loss Account

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Interest Cost	5,464	(1,041)	4,354	3,127
Current Service Cost	15,742	10,219	14,740	10,800
Expected return on plan assets	-	-	-	-
Actuarial (gain)/losses	2,246	16,818	(22,268)	13,186
Net benefit expense *	23,452	25,996	(3,174)	27,113
Actual return on plan assets	-	-	-	-

* does not include amount in respect of employees transferred on deputation from holding company	772,238	769,387	71,918	132,915
--	---------	---------	--------	---------

iv) **Balance Sheet**

Details of provisions for Gratuity & Leave Encashment

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Defined benefit obligation	74,286	48,290	79,161	52,048
Charged to profit & loss account	23,452	25,996	(3,174)	27,113
Fair value of plan assets	-	-	-	-
Less: Unrecognised past service cost	-	-	-	-
Plan Liability	97,738	74,286	75,987	79,161

* Liability in respect of employees transferred on deputation from holding company	795,690	795,383	68,744	160,028
--	---------	---------	--------	---------

The liability is yet to be funded.

Actuarial Assumptions

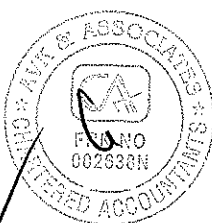
Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Mortality	(2006-08)	(2006-08)	(2006-08)	(2006-08)
Discount rate	7.83%	7.80%	7.83%	7.80%
Expected Rate of Return	--	--	--	--
Salary Growth	7.50%	7.50%	7.50%	7.50%
Withdrawal Rates	11% at all ages	11% at all ages	11% at all ages	11% at all ages



Handwritten signatures and initials.

2.26 Related Party Transactions as per Accounting Standard 18

i) Holding Company		ii) Subsidiary Company				
a) Almondz Global Securities Limited						
iii) Enterprises over which Key Managerial Personnel are able to exercise significant influence		iv) Key managerial personnel & their relatives				
a) Almondz Commodities Private Limited		a) Mr. Navjeet Singh Sobti - Managing Director				
b) Avonmore Capital & Management Services Limited		b) Mr. Govind Prasad Agrawal - Director				
c) Skiffle Healthcare Services Limited		c) Mr. Jagdeep Singh - Director				
d) Yug Infrastructures Private Limited		d) Mr. Rajeev Kumar - Chief Finance Officer w.e.f. 01-05-2014				
e) North Square Project Private Limited		e) Ms Vandana Sharma - Company Secretary w.e.f. 12-05-2014				
f) Almondz Wealth Advisors Limited						
g) Almondz Global Infra Consultant Limited						
h) Rinku Sobti Fashions Pvt. Ltd.						
(A)	Transactions during the year with related parties					
		Holding Company	Enterprises over which key Managerial Personnel are able to exercise significant influence	Key Management Personnel & Relatives	Total as at 31-03-2016	Total as at 31-03-2015
	Income					
1	Sale of Securities					
	Almondz Global Securities Limited	970,609,130	-	-	970,609,130	832,358,529
	Rinku Sobti Fashions Pvt. Ltd.	-	-	4,122,179	4,122,179	-
2	Interest Income					
	Avonmore Capital & Management Services Limited	-	-	-	-	-
	Skiffle Healthcare Service Limited	-	-	-	-	14,222
	Yug Infrastructures Private Limited	-	214,770	-	214,770	-
	Almondz Commodities Private Limited	-	-	-	-	103,572
	Expenditure					
3	Purchase of Securities					
	Almondz Global Securities Limited	526,133,255	-	-	526,133,255	782,351,919
4	Interest Expense					
	Almondz Global Securities Limited	831,470	-	-	831,470	27,130,598
5	Share Trading Expenses					
	Almondz Global Securities Limited	453,906	-	-	453,906	651,840
6	Processing fee Charges					
	Almondz Global Securities Limited	18,966	-	-	18,966	586,307
7	Director Sitting Fee					
	Mr. Govind Prasad Agrawal	-	-	61,000	61,000	38,000
	Mr. Jagdeep Singh	-	-	57,000	57,000	38,000
	Mr. Navjeet Singh Sobti	-	-	-	-	34,000
8	Remuneration to Key Managerial Personnel					
	Mr. Rajeev Kumar	-	-	1,500,000	1,500,000	1,532,032
	Ms. Vandana Sharma	-	-	259,440	259,440	218,123
	Assets/Liabilities					
9	Loans given during the Year					
	Almondz Commodities Private Limited	-	-	-	-	2,000,000
	Yug Infrastructure Private Limited	-	4,000,000	-	4,000,000	-
	Skiffle Healthcare Services Limited	-	-	-	-	1,300,000



2.26 Related Party Transactions as per Accounting Standard 18 (contd.)

		Holding Company	Enterprises over which key Managerial Personnel are able to exercise significant influence	Key Management Personnel & Relatives	Total as at 31-03-2016	Total as at 31-03-2015
10	Loans taken during the Year Almondz Global Securities Limited	379,100,000	-	-	379,100,000	794,775,000
11	Recovery of Loans during the year Almondz Commodities Private Limited Yug Infrastructures Private Limited Skiffle Healthcare Service Limited	- - -	- 4,000,000 -	- - -	- 4,000,000 -	2,000,000 - 1,300,000
12	Repayment of Loans during the year Almondz Global Securities Limited	355,100,000	-	-	355,100,000	1,115,775,000
13	Advance received for reimbursable payments Almondz Global Securities Limited	18,294	-	-	18,294	967,883
14	Reimbursable payments made against advance received Almondz Global Securities Limited	18,294	-	-	18,294	967,883
15	Trade Receivable Almondz Global Securities Limited	2,873,158	-	-	2,873,158	- 17,115,242
(B)	Closing Balances as at 31-03-2016					
	Share Capital Almondz Global Securities Limited	300,000,000	-	-	300,000,000	300,000,000
	Unsecured Loan Almondz Global Securities Limited	24,000,000	-	-	24,000,000	-
	Interest Payable Almondz Global Securities Limited	433,068	-	-	433,068	1,337,723
	Trade Payable Almondz Global Securities Limited	-	-	-	-	534,126
	Interest Receivable Yug Infrastructures Private Limited	-	214,770	-	214,770	-



[Handwritten signature]

[Handwritten signature]

[Handwritten signature]


Almondz Finanz Limited
Notes to financial statements (Contd.)

(Amounts in Indian Rupees)

2.27 Contingent liabilities and commitments	As at 31 March 2016	As at 31 March 2015									
Contingent liability Commitments	Nil Nil	Nil Nil									
2.28 Others	As at 31 March 2016	As at 31 March 2015									
<p>i) Pursuant to enactment of the Companies Act, 2013, the Company has applied the useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depleted over the remaining useful lives. In respect of fixed assets whose lives have expired on 1st April, 2014, the carrying amount has been charged to retained earnings.</p> <p>ii) Debit & Credit balances are subject to confirmation</p> <p>iii) Paise have been rounded off to nearest rupee.</p> <p>iv) Previous Year's figures have been regrouped and / or rearranged.</p> <p>v) Additional information</p> <table border="0"> <tr> <td>a) Expenditure in Foreign Currency</td><td>Nil</td><td>Nil</td></tr> <tr> <td>b) Remittances in Foreign Currency</td><td>Nil</td><td>Nil</td></tr> <tr> <td>c) Earning in foreign currency</td><td>Nil</td><td>Nil</td></tr> </table>			a) Expenditure in Foreign Currency	Nil	Nil	b) Remittances in Foreign Currency	Nil	Nil	c) Earning in foreign currency	Nil	Nil
a) Expenditure in Foreign Currency	Nil	Nil									
b) Remittances in Foreign Currency	Nil	Nil									
c) Earning in foreign currency	Nil	Nil									


As per our report of even date annexed


For AVK & Associates
Chartered Accountants
Firm Registration No. 002638N


Parul Gupta
Partner
Membership No. 095539
Date: 25-05-2016
Place : New Delhi




For and on behalf of Board of Directors
Almondz Finanz Limited


Govind Prasad Agrawal
Director
(DIN : 00008429)
Date: 25-05-2016
Place : New Delhi


Navjeet Singh Sobti
Managing Director
(DIN : 00006393)
Date: 25-05-2016
Place : New Delhi


Vandana Sharma
Company Secretary
Membership No. - 433194
Date: 25-05-2016
Place : New Delhi


Rajeev Kumar
Chief Finance Officer
Date: 25-05-2016
Place : New Delhi