



ARYAMAN
FINANCIAL SERVICES LTD

60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg,
Opp. P. J. Tower (BSE Bldg.),
Fort, Mumbai - 400 001.
Tel. : 022-6216 6999 / 2261 8264 Fax: 2263 0434
Email : info@afsl.co.in
Website : www.afsl.co.in
CIN : L74899DL1994PLC059009

13th October 2017

To,
BSE Limited
Listing Department,
P.J Towers, Dalal Street,
Fort, Mumbai - 400 001

Scrip Code: 530245

Ref No: AFSL/LODR/COM/SSS/119/2017

Dear Sir/ Madam,

Sub: Submission of 23rd Annual Report of the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith 23rd Annual Report of the Company for Financial Year 2016-17.

Kindly acknowledge the receipt and take the same on record.

FOR ARYAMAN FINANCIAL SERVICES LIMITED


DEEPESH JAIN
(Compliance Officer & Company Secretary)



Encl: As above



ARYAMAN

FINANCIAL SERVICES LIMITED

23rd

ANNUAL REPORT

2016-17

CORPORATE INFORMATION

BOARD OF DIRECTORS:

☞ Mr. Shripal Shah	(Executive Director)
☞ Mr. Shreyas Shah	(Executive Director)
☞ Mr. Darshit Parikh	(Independent Director)
☞ Mr. Ram Gaud	(Independent Director)
☞ Mrs. Tejal Vala	(Independent Director)

KEY MANAGERIAL PERSON:

☞ Mr. Shripal Shah	(Chief Financial Officer)
☞ Mr. Deepesh Jain	(Company Secretary)

BANKER:

☞ State Bank of India

STATUTORY AUDITOR:

M/s Thakur, Vaidyanath Aiyar & Co.,
Chartered Accountants
212, Deendayal Upadhyay Marg,
New Delhi – 110 002

REGISTRAR AND SHARE TRANSFER AGENT:

Adriot Corporate Services Private Limited
19/20, Jafferboy Industrial Estate
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059

CORPORATE OFFICE:

60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001

REGISTERED OFFICE:

102, Ganga Chambers, 6A/1, W.E.A.,
Karol Bagh,
New Delhi,
Delhi-110005

In case of any Queries relating Annual Report, Contact:

Mr. Deepesh Jain (Company Secretary)
60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001
Tel: 022 – 6216 6999
Fax: 022 – 2263 0434

NOTICE

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the Members of **Aryaman Financial Services Limited** will be held on **Monday, September 25, 2017** at **09:00 A.M.** at **412, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi - 110 003** to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited financial statements of the company (including audited consolidated financial statements) for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Shreyas Shah (DIN: 01835575), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) **Appointment of Statutory Auditors of the Company:**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s V. N. Purohit & Co., Chartered Accountants (Firm Registration No. 304040E), be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s Thakur Vaidyanath Aiyar & Co., Chartered Accountants (Firm Registration No. 000038N), to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty - Eighth AGM to be held in the year 2022 (subject to ratification of their appointment at every AGM if so required under the Act), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

NOTES:

1. Details of directors to be re-appointed have been annexed to this notice as ‘Annexure – A’.
2. This Notice is being to members of the Company as appearing in Register of Members.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE BLANK PROXY FORM IS ENCLOSED.**
4. Members/Proxy holder/Authorized Representative are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Notice to attend the Meeting.
5. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode.
6. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.

7. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. Relevant documents referred to in the Notice, statutory registers will be available for inspection by the members at the Registered Office of the Company during normal business hours on working days. Members desiring to seek information with respect to the businesses in this notice are requested to send their queries at least Seven days before the date of the meeting so that the information can be made available at the meeting.
9. A route map showing directions to reach the venue of the meeting is given in this Notice.
10. Once the vote on a resolution is cast by the member, the member shall not allowed to change it subsequently. Further, members who have casted their vote electronically shall not vote by way of poll, if held at the meeting. To provide an opportunity to vote at the meeting to the shareholders, who have not exercised the remote e-voting facility, shall be provided ballot papers before the commencement of the meeting. Any person who is not a member as on the cut-off date should treat this notice for information purpose only.
11. Member holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA viz. Adriot Corporate Services Private Limited.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are therefore, requested to submit their PAN to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form and submit their PAN to the Company/ RTA viz. Adriot Corporate Services Private Limited.
13. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, September 18, 2017 to Monday, September 25, 2017** (both days inclusive).
14. **Voting through electronic means**
 1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by Central Depository Services Limited (CDSL).
 2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - a. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 3. The remote e-voting period commences on **Thursday, September 21, 2017 (9:00 a.m.)** and ends on **Sunday, September 24, 2017 (5:00 p.m.)**. During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Monday, September 18, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 4. **The process and manner for remote e-voting are as under:**
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on Shareholders.
 - iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the "Aryaman Financial Services Limited" on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

5. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
6. Mr. Jitender Singh, Practicing Company Secretary (C.P. No.: 12463) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
7. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
8. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
9. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://afsl.co.in/investor-relation.html> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

10. **GREEN INTIATIVE**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India (MCA), by its recent circulars, enabling electronic delivery of documents including the annual reports, notices, circulars to shareholders at their e-mail address previously registered with the depository participants (DPs)/company/registrar and share transfer agents. Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses to help us in the endeavour to save trees and protect the planet. Those holding shares in demat form can register their email address with their concerned DP. Those shareholders who hold shares in physical form are requested to register their e-mail addresses with our registrar, Adroit Corporate Services Pvt. Ltd, by sending a duly filed “registration / updation of shareholder information form” available on <http://afsl.co.in/investor-relation.html>, duly signed by the first /sole holder quoting details of folio no.

11. **All queries relating to Share Transfer and allied subjects should be addressed to:**

Adriot Corporate Services Private Limited

19/20, Jafferboy Industrial Estate
1st Floor, Makwana Road,
Marol Naka, Andheri (E),
Mumbai – 400 059

Corporate Office:

60, Khatau Building, Ground. Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001

Tel : 022 – 6216 6999

Fax: 022 – 2263 0434

CIN: L74899DL1994PLC059009

Website: <http://www.afsl.co.in>

Email: info@afsl.co.in

By Order Of The Board Of Directors
FOR ARYAMAN FINANCIAL SERVICES LIMITED

Sd/-

Deepesh Jain

(Company Secretary)

Mumbai, Monday, August 28, 2017

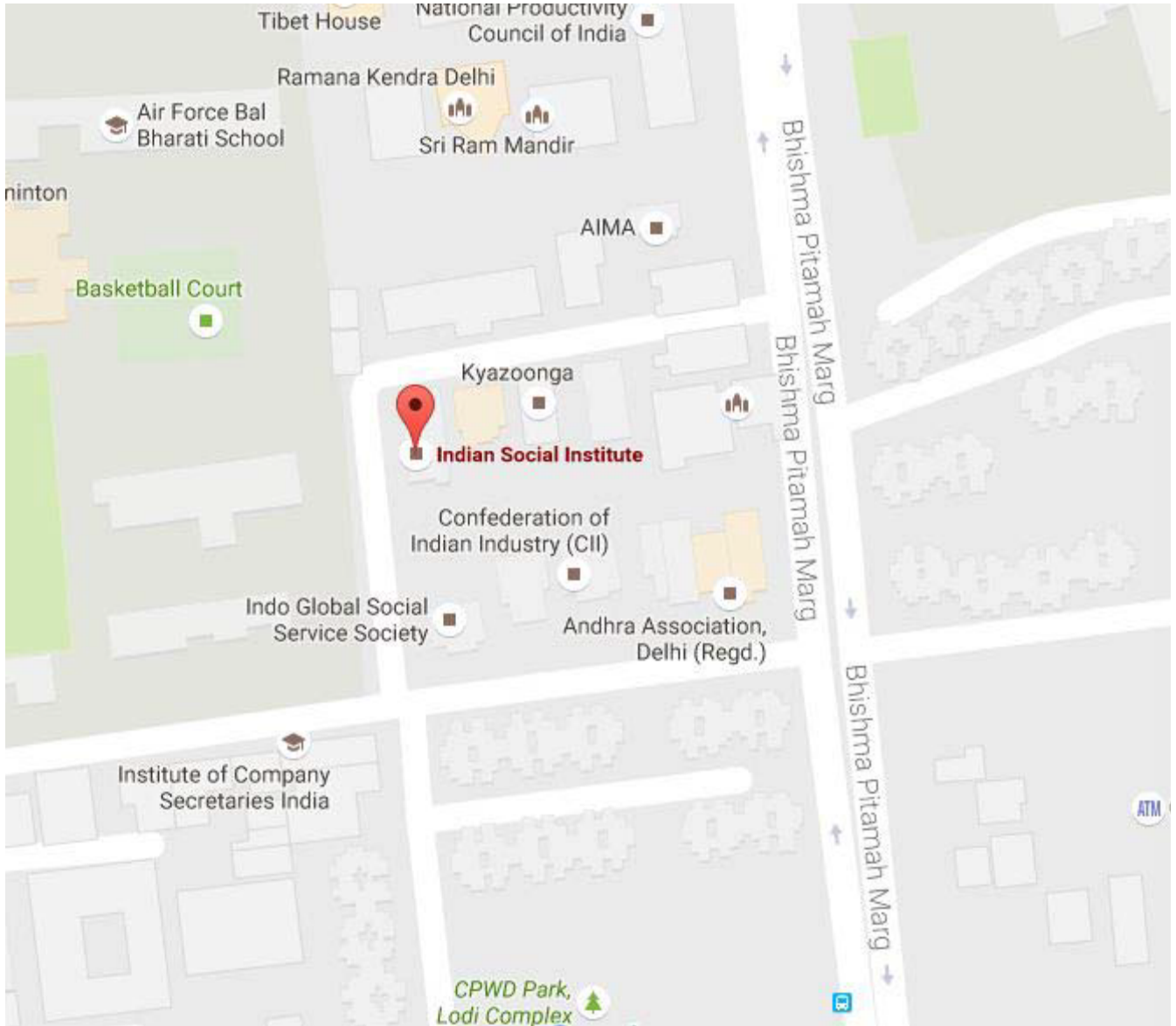
Annexure - A

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS 2 issued by the Company Secretaries of India are as under;

Particulars	Mr. Shreyas Shah
Current Position	Executive Director (Liable to retire by rotation)
Age	29 Years
Qualification	B.COM, L.L.B
Experience	More than 7 Years in the field of investments and finance
Expertise in specific functional areas	He has been working on developing industry networks for further business development.
Date of first Appointment	May 29, 2013
Number of Board Meetings attended during the year	Attended all the Two meetings held till date in F.Y. 2017-18
Shareholding in the Company	90,000 Equity Shares
Relationship with Other Directors	Mr. Shripal Shah (Brother)
Directorship in other listed entities and the membership of Committees of the Board:	Aryaman Capital Markets Ltd Escorp Asset Management Ltd
Other Directorships	Mahshri Enterprises Pvt Ltd Aryaman Capital Markets Ltd Escorp Asset Management Ltd
Memberships / Chairmanship of Committees	Nil

ROUTE MAP TO THE 23rd AGM VENUE

Venue Address: 412, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi - 110 003



BOARD'S REPORT

To,
The Members,

Your Directors take pleasure in presenting their *Twenty Third Annual Report* on the Business and Operations of the Company and the Accounts for the Financial Year ended 31st March, 2017 (period under review).

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted the Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Financial statements for the year ended and as at March 31, 2016 have been restated to conform to IND AS, notes to the financial statements provides further explanation on the transition to IND AS.

1. FINANCIAL PERFORMANCE OF THE COMPANY:

The summary of the financial performance (standalone) for the financial year ended March 31, 2017 and the previous financial year ended March 31, 2016 is given below:

(₹ in lacs)

Particulars	Standalone		Consolidated	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Total Income	505.94	264.36	2,841.88	1,258.15
Less: Expenditure	355.30	188.27	2,509.40	1,157.04
Profit before Depreciation	150.64	76.09	332.48	108.11
Less: Depreciation	10.77	6.60	17.03	12.85
Profit before Tax	139.87	69.49	315.45	88.26
Provision for Taxation	40.17	14.84	76.89	21.37
Profit after Tax	99.70	54.85	238.56	66.89

Total Income of the Company increased from ₹ 264.36 lacs to ₹ 505.94 lacs during F. Y. 2016-17. Consequently net profit increased from ₹ 54.85 lacs to ₹ 99.70 lacs.

2. DIVIDEND:

The dividend policy for the year under review has been formulated taking into consideration of growth of the company and to conserve resources, the Directors do not recommend any dividend for year ended March 31, 2017.

3. SHARE CAPITAL:

During the period under review, vide special resolution passed in extra ordinary general meeting held on March 15, 2017, authorized capital of the Company increased to ₹ 1170 Lacs. Company has allotted 7,07,000 Equity Shares by way of preferential allotment on March 21, 2017 consequently paid up capital stand increased to ₹ 1168.20 Lacs divided into 116.82 Lacs Equity Shares having face value of ₹ 10/-.

4. STATE OF AFFAIRS OF THE COMPANY:

Information on the operations and financial performance, among others for the period under review, is given in the Management Discussion and Analysis Report which is annexed to this Report and is in accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Change in Directors

During the period under review, Mr. Shreyas Shah was re-designated as Executive Director on May 26, 2016 and subsequently in the 22nd AGM held on September 24, 2016 was appointed as Executive Director for a term upto five consecutive years upto March 31, 2021, liable to retire by rotation. Except aforesaid there were no changes in directors.

ii. Committees of Board of Directors

There is no change in Committees of Board of Directors.

iii. Independent Directors

Independent Directors have provided their confirmation, that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company

iv. Retirement by Rotation of the Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shreyas Shah, Executive Director of the Company, retires by rotation and offers himself for re- appointment.

The brief resume of Mr. Shreyas Shah, the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, her shareholding etc. are furnished in the “annexure a” to notice of the ensuing AGM.

v. Key Managerial Personnel

During the period under review, Mr. Malcolm Mascarenhas resigned from the Company on August 13, 2016 and in place of Mr. Malcolm Mascarenhas, Mr. Deepesh Jain was appointed as Company Secretary on August 13, 2016. Apart from the aforementioned there are no changes in Key Managerial Personnel’s of the Company.

6. MEETINGS:

During the year Seven Board Meetings were convened and duly held. The details of which are given in the Corporate Governance Report, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

7. AUDIT COMMITTEE:

The Audit Committee comprises of, Mr. Darshit Parikh (Chairman), Mr. Shripal Shah (Member) and Mr. Ram Gaud (Member). Powers and role of the Audit Committee are included in the Corporate Governance Report. All the recommendation made by the Audit Committee were accepted by the Board of Directors.

8. BOARD EVALUATION:

Your Board has devised an Evaluation Policy for evaluating the performance of the Board, its committees, Executive Directors, Independent Directors. Based on the same, the performance was evaluated for the financial year ended March 31, 2017.

The policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

9. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in **MGT-9** as a part of this Annual Report as “*Annexure I*”.

10. AUDITORS:

i. Statutory Auditors:

M/s Thakur Vaidyanath Aiyar & Co., Chartered Accountants, the statutory auditors of the Company hold office till this 23rd Annual General Meeting of the Company. The Board has recommended of M/s V. N. Purohit & Co., Chartered Accountants as the statutory auditors of the Company in their place, for a term of five consecutive years, from the conclusion of the 23rd Annual General Meeting scheduled to be held in the year 2017 till the conclusion of the 28th Annual General Meeting to be held in the year 2022, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

ii. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed JNG & CO., a firm of Company Secretaries in Practice (CP No. 8108), to undertake the Secretarial Audit of the Company for the year 2016-17. The Secretarial Audit Report is annexed herewith as “*Annexure II*”.

11. REMUNERATION POLICY:

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Policy is provided in Annexed to this Report as “*Annexure III*”.

12. AUDITOR’S REPORT:

The Auditor’s Report and Secretarial Auditor’s Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an Annexure which forms part of this report.

13. VIGIL MECHANISM:

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://afsl.co.in/investor-relation.html>.

14. INTERNAL AUDIT & CONTROLS:

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed Thakur & Co., Chartered Accountants, as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out quarterly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

15. RISK ASSESSMENT AND MANAGEMENT:

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

16. LISTING WITH STOCK EXCHANGES:

Aryaman Financial Services Limited continues to be listed on BSE Limited. It has paid the Annual Listing Fees for the year 2017-2018 to BSE Limited.

17. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT:

During the period under review, Escorp Asset Management Limited became subsidiary of the Company. As on March 31, 2017, your Company has 2 subsidiaries (Aryaman Capital Markets Limited & Escorp Asset Management Limited). There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act.

The Annual Accounts of the above referred subsidiary shall be made available to the shareholders of the Company and of the subsidiary company on request and will also be kept open for inspection at the Registered Office of the Company and of the subsidiary companies during the office hours on all working days and during the Annual General Meeting. Company's consolidated financial statements included in this Annual Report incorporates the accounts of its subsidiaries prepared as per "Ind-AS 110 Consolidated Financial Statements". Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company as "Annexure V".

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

i. Conservation of Energy

- a) **The steps taken or impact on conservation of energy** – The Operations of the Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
- b) **The steps taken by the Company for utilizing alternate source of energy** – Company shall consider on adoption of alternate source of energy as and when necessities.
- c) **The Capital Investment on energy conservation equipment** – No Capital Investment yet.

ii. Technology absorption

- a) **The efforts made towards technology absorption.** – Minimum technology required for Business is absorbed.
- b) **The benefits derived like product improvement, cost reduction, product development or import substitution** – Not Applicable.
- c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** – Not Applicable.
 - a. the details of technology imported;
 - b. the year of import;
 - c. whether the technology been fully absorbed;
 - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

iii. The expenditure incurred on Research and Development – Not Applicable.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus Disclosure in form AOC-2 is not required. Further, during the

year, the Company had not entered into any contract / arrangement /transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions are placed before the Audit Committee and Board for approval. The details of the related party transactions as required under Indian Accounting Standard (Ind AS) 110 are set out in Note to the financial statements forming part of this Annual Report.

20. DEPOSITS:

Your Company did not accept / hold any deposits from public / shareholders during the year under review.

21. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

22. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under, the Company has framed and adopted the policy for Prevention of Sexual Harassment at Workplace. Company was not in receipt of any complaint of sexual harassment.

23. HUMAN RESOURCES:

Your Company considers people as its biggest assets and 'Believing in People' is at the heart of its human resource strategy. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees seek to ensure that business world values and principles are understood by all and are the reference point in all people matters.

Statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), is annexed as "*Annexure IV*".

The current workforce breakdown structure has a good mix of employees at all levels. Your Board confirms that the remuneration is as per the remuneration policy of the Company.

24. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

- iii. They have taken proper and sufficient care for the 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 fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

25. CAUTIONARY STATEMENTS:

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

26. ACKNOWLEDGEMENTS:

Your Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

Corporate Office:

60, Khatau Building, Ground Floor,
Alkesh Dinesh Modi Marg,
Fort, Mumbai – 400 001
Tel : 022 – 6216 6999
Fax: 022 – 2263 0434
CIN: L74899DL1994PLC059009
Website: <http://www.afsl.co.in>
Email: info@afsl.co.in

On Behalf of The Board Of Directors
FOR ARYAMAN FINANCIAL SERVICES LIMITED

Sd/-
Shripal Shah
DIN: 01628855
(Chairman & Executive Director)
Mumbai, Monday, August 28, 2017

Annexures to Board's Report (Contd).
Annexure – I
FORM NO. MGT-9
Extract of Annual return as on financial year ended on 31.03.2017
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)
I. REGISTRATION & OTHER DETAILS:

i	CIN	L74899DL1994PLC059009
ii	Registration Date	May 11, 1994
iii	Name of the Company	Aryaman Financial Services Limited
iv	Category/Sub-category of the Company	Public Company / Company Limited by Shares
v	Address of the Registered office & contact details	102, Ganga Chambers, 6a/1, W.E.A, Karol Bagh, New Delhi, Delhi -110 005 Tel. No. : 022 –6216 6999 E-Mail id: info@afsl.co.in
vi	Whether listed company	Yes (BSE Ltd)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt. Ltd. 19/20, Jafferboy Industrial Estate 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name & Description of main products/services	NIC Code of the Product / Service	% to total turnover of the company
1	Income from Merchant Banking Fees	6612	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sr. No	Name & Address of the Company	CIN/GLN	Holding or Subsidiary or Associate	% OF SHARES HELD	APPLICABLE SECTION
1	Mahshri Enterprises Private Limited	U74140MH2006PTC165813	Holding	60.63%	Section 2(87)
2	Aryaman Capital Markets Limited	L65999MH2008PLC184939	Subsidiary	74.28%	Section 2(87)
3	Escorp Asset Management Limited	U17121MH2011PLC213451	Subsidiary	77.61%	Section 2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY):

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Change during the year (%)
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
I. Indian									
a) Individual/HUF	-	-	-	-	-	1,80,000	1,80,000	1.54	1.54
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	71,83,030	-	71,83,030	65.45	70,83,030	-	70,83,030	60.63	(4.82)
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total:(A) (1)	71,83,030	-	71,83,030	65.45	70,83,030	1,80,000	72,63,030	62.17	(3.28)
(2) Foreign									
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	71,83,030	-	71,83,030	65.45	70,83,030	1,80,000	72,63,030	62.17	(3.28)
B.PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	700	700	0.01	-	700	700	0.01	-
b) Banks/FI	-	800	800	0.01	-	800	800	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Market Makers	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	1,500	1,500	0.01	-	1,500	1,500	0.01	-
(2) Non Institutions									
a) Bodies corporate	12,30,237	3,000	12,33,237	11.24	19,18,149	3,000	19,21,149	16.45	5.21
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	2,07,797	2,29,360	4,37,157	3.98	2,02,271	2,28,861	4,31,132	3.69	(0.29)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	19,58,604	1,59,400	21,18,004	19.30	13,76,655	6,86,400	20,63,055	17.66	-1.64
c) Others (specify)	-	-	-	-	-	-	-	-	-
c-1) Non Resident Indians (Individuals)	2,072	-	2,072	0.02	2,034	-	2,034	0.02	-
c-2) Clearing Member	-	-	-	-	100	-	100	-	-
SUB TOTAL (B)(2):	33,98,710	3,91,760	37,90,470	34.54	34,99,209	9,18,261	44,17,470	37.81	3.28
Total Public Shareholding (B)= (B)(1)+(B)(2)	33,98,710	3,93,260	37,91,970	34.55	34,99,209	9,19,761	44,18,970	37.83	3.28
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,05,81,740	3,93,260	1,09,75,000	100	1,05,82,239	10,99,761	1,16,82,000	100	-

(ii) SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Mahshri Enterprises Pvt Ltd	71,83,030	65.45	-	70,83,030	60.63	-	-4.82
2	Shripal Shah	-	-	-	90,000	0.77	-	0.77
3	Shreyas Shah	-	-	-	90,000	0.77	-	0.77
	Total	71,83,030	65.45	-	72,63,030	62.17	-	-3.28

(iii) CHANGE IN PROMOTERS' SHAREHOLDING:

Sr. No.	Name	At the beginning of the year / End of the year		Date of changes of shareholding	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		Number of Shares	%				Number of Shares	%
1	Mahshri Enterprises Pvt Ltd	71,83,030	65.45	01-Apr-16	-	-	71,83,030	65.45
				17-Jun-16	(1,00,000)	Transfer	70,83,030	64.54
		70,83,030	60.63	31-Mar-17	-	-	70,83,030	60.63*
2	Shripal Shah	-	-	01-Apr-16	-	-	-	-
				21-Mar-17	90,000	Allotment	90,000	0.77
		90,000	0.77	31-Mar-17	-	-	90,000	0.77
3	Shreyas Shah	-	-	01-Apr-16	-	-	-	-
				21-Mar-17	90,000	Allotment	90,000	0.77
		90,000	0.77	31-Mar-17	-	-	90,000	0.77

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS):

Sr. No.	Name of Shareholder's	Changes	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company

1	Shri Parasram Holdings Pvt.Ltd.	At the beginning of the year	01/04/2016	310000	2.82	310000	2.82
		Date wise Increase / Decrease in Share holding during the year	09/09/2016	172000	1.57	482000	4.39
			04/11/2016	10	0.00	482010	4.39
			18/11/2016	-10	0.00	482000	4.39
			25/11/2016	312000	2.84	794000	7.23
			02/12/2016	13750	0.13	807750	7.36
			09/12/2016	-245000	2.23	562750	5.13
			03/02/2017	100	0.00	562850	5.13
			24/02/2017	102	0.00	562952	5.13
			03/03/2017	165498	1.51	728450	6.64
			08/03/2017	14	0.00	728464	6.64
			10/03/2017	125	0.00	728589	6.64
			17/03/2017	503	0.00	729092	6.64
		24/03/2017	-642	0.01	728450	6.24	
At the End of the year	31/03/2017	-159725	1.37	568725	4.87		
2	Maxgrowth Capital Pvt. Ltd	At the beginning of the year	01/04/2016	3000	0.03	3000	0.03
		Date wise Increase / Decrease in Share holding during the year	12/08/2016	-3000	0.03	0	0.00
			09/09/2016	138500	1.26	138500	1.26
			30/09/2016	-1000	0.01	137500	1.25
			02/12/2016	300000	2.73	437500	3.99
			09/12/2016	250000	2.28	687500	6.26
			16/12/2016	-5000	0.05	682500	6.22
			23/12/2016	-200000	1.82	482500	4.40
			06/01/2017	-345000	3.14	137500	1.25
			24/02/2017	275000	2.51	412500	3.76
		03/03/2017	-275000	2.51	137500	1.25	
At the End of the year	31/03/2017	0	0.00	137500	1.18		
3	Manlike Chemical And Pharmacheutical Com	At the beginning of the year	01/04/2016	0	0.00	0	0.00
		Date wise Increase / Decrease in Share holding during the year	06/01/2017	545000	4.97	545000	4.97
			24/02/2017	-275000	2.51	270000	2.46
		At the End of the year	31/03/2017	0	0.00	270000	2.31
4	Sadhana Sachin Deshmukh	At the beginning of the year	01/04/2016	458299	4.18	458299	4.18
		Date wise Increase / Decrease in Share holding during the year	05/08/2016	-258299	2.35	200000	1.82
			12/08/2016	-200000	1.82	0	0.00
		At the End of the year	31/03/2017	0	0.00	0	0.00
5	La Mancha Enterprises Private Limited	At the beginning of the year	01/04/2016	377500	3.44	377500	3.44
		Date wise Increase / Decrease in Share holding during the year	12/08/2016	3000	0.03	380500	3.47
			09/09/2016	-380500	3.47	0	0.00

		At the End of the year	31/03/2017	0	0.00	0	0.00
		At the beginning of the year	01/04/2016	230000	2.10	230000	2.10
		Date wise Increase / Decrease in Share holding during the year	15/04/2016	405	0.00	230405	2.10
			22/04/2016	595	0.01	231000	2.10
			29/04/2016	-231000	2.10	0	0.00
			17/06/2016	104000	0.95	104000	0.95
			08/07/2016	-104000	0.95	0	0.00
			29/07/2016	2565	0.02	2565	0.02
			05/08/2016	4500	0.04	7065	0.06
			12/08/2016	338435	3.08	345500	3.15
			19/08/2016	500	0.00	346000	3.15
			26/08/2016	8000	0.07	354000	3.23
			02/09/2016	-154394	1.41	199606	1.82
			09/09/2016	6329	0.06	205935	1.88
			16/09/2016	4000	0.04	209935	1.91
			23/09/2016	500	0.00	210435	1.92
			30/09/2016	5600	0.05	216035	1.97
			07/10/2016	3965	0.04	220000	2.00
			21/10/2016	490	0.00	220490	2.01
			28/10/2016	11501	0.10	231991	2.11
			04/11/2016	2000	0.02	233991	2.13
			11/11/2016	100	0.00	234091	2.13
			18/11/2016	60	0.00	234151	2.13
			25/11/2016	-171068	1.56	63083	0.57
			02/12/2016	-63083	0.57	0	0.00
			09/12/2016	4473	0.04	4473	0.04
			16/12/2016	-4473	0.04	0	0.00
			13/01/2017	230090	2.10	230090	2.10
			20/01/2017	22000	0.20	252090	2.30
			27/01/2017	4456	0.04	256546	2.34
			03/02/2017	-56546	0.52	200000	1.82
			10/02/2017	-136546	1.24	63454	0.58
		17/02/2017	53584	0.49	117038	1.07	
		08/03/2017	2962	0.03	120000	1.09	
		10/03/2017	2533	0.02	122533	1.12	
		24/03/2017	13467	0.12	136000	1.16	
		At the End of the year	31/03/2017	0	0.00	136000	1.16
		At the beginning of the year	01/04/2016	0	0.00	0	0.00
		Date wise Increase / Decrease in Share holding during the year	21/03/2017	302000	2.59	302000	2.59
		At the End of the year	31/03/2017	0	0.00	302000	2.59
6	Goldmine Stocks Pvt Ltd						
7	Babulal Shah						

8	Yogdarshan Commercial Trading Private Li	At the beginning of the year	01/04/2016	0	0.00	0	0.00
		Date wise Increase / Decrease in Share holding during the year	12/08/2016	220000	2.00	220000	2.00
		At the End of the year	31/03/2017	0	0.00	220000	1.88
9	Amar Mukeshkumar Shah	At the beginning of the year	01/04/2016	0	0.00	0	0.00
		Date wise Increase / Decrease in Share holding during the year	10/02/2017	200000	1.82	200000	1.82
		At the End of the year	31/03/2017	0	0.00	200000	1.71
10	Hiral Amarkumar Shah	At the beginning of the year	01/04/2016	185000	1.69	185000	1.69
		Date wise Increase / Decrease in Share holding during the year	02/09/2016	-185000	1.69	0	0.00
		At the End of the year	31/03/2017	0	0.00	0	0.00
11	India Finsec Limited	At the beginning of the year	01/04/2016	14000	0.13	14000	0.13
		Date wise Increase / Decrease in Share holding during the year		NIL	NIL	0	0.00
		At the End of the year	31/03/2017	160000	1.37	174000	1.49
12	Ambitious Associates Pvt Ltd	At the beginning of the year	01/04/2016	161000	1.47	161000	1.47
		Date wise Increase / Decrease in Share holding during the year		NIL	NIL	0	0.00
		At the End of the year	31/03/2017	0	0.00	161000	1.38
13	Anukul Dilip Bagri	At the beginning of the year	01/04/2016	110000	1.00	110000	1.00
		Date wise Increase / Decrease in Share holding during the year	17/06/2016	-5000	0.05	105000	0.96
			13/01/2017	-105000	0.96	0	0.00
	At the End of the year	31/03/2017	0	0.00	0	0.00	
14	Dhanuka Commercial Limited	At the beginning of the year	01/04/2016	92000	0.84	92000	0.84
		Date wise Increase / Decrease in Share holding during the year		NIL	NIL	0	0.00
		At the End of the year	31/03/2017	0	0.00	92000	0.79
15	Jikisha Jain	At the beginning of the year	01/04/2016	92000	0.84	92000	0.84
		Date wise Increase / Decrease in Share holding during the year		NIL	NIL	0	0.00
		At the End of the year	31/03/2017	0	0.00	92000	0.79
16	Sunaina Choudhary	At the beginning of the year	01/04/2016	70000	0.64	70000	0.64

		Date wise Increase / Decrease in Share holding during the year		NIL	NIL	0	0.00
		At the End of the year	31/03/2017	0	0.00	70000	0.60

Note: % means % of total shares of the company

(V) SHAREHOLDING OF DIRECTORS & KMP:

Sr. No.	Name	At the beginning of the year / End of the year		Date of changes of shareholding	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		Number of Shares	%				Number of Shares	%
1	Shripal Shah	-	-	01-Apr-16	-	-	-	-
				21-Mar-17	90,000	Allotment	90,000	0.77
		90,000	0.77	31-Mar-17	-	-	90,000	0.77
2	Shreyas Shah	-	-	01-Apr-16	-	-	-	-
				21-Mar-17	90,000	Allotment	90,000	0.77
		90,000	0.77	31-Mar-17	-	-	90,000	0.77

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(In ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	35,51,146	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
Additions	-	-	-	-
Reduction	(6,94,579)	-	-	-
Net Change	(6,94,579)	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	28,56,567	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(In ₹)

Sr. No	Particulars of Remuneration	Mr. Shripal Shah (Whole Time Director)	Mr. Shreyas Shah (Whole Time Director)	Total Amount
1	Gross salary*	-	-	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	9,00,000	6,00,000	15,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	
2	Stock option	-	-	
3	Sweat Equity	-	-	
4	Commission as % of profit	-	-	
	others (specify)	-	-	
5	Others, please specify	-	-	
	Total (A)	9,00,000	6,00,000	15,00,000
	Ceiling as per the act	The total managerial remuneration is within the ceilings prescribed.		

B. Remuneration to other directors:

(In ₹)

Sr. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Mr. Ram Gaud	Mr. Darshit Parikh	Mrs. Tejal Vala	
	(a) Fee for attending board /committee meetings	42,000	42,000	50,000	1,34,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	42,000	42,000	50,000	1,34,000
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others please specify.	-	-	-	-
	Total (2)	-	-	-	-
3	Total (B)=(1+2)	42,000	42,000	50,000	1,34,000
	Total Managerial Remuneration				16,34,000
	Overall Ceiling as per the Act.	The total managerial remuneration is within the ceilings prescribed.			

C. Remuneration To Key Managerial Personnel Other Than Managing Director/Manager/Whole Time Director:

(In ₹)

Sr. No.	Particulars of Remuneration	Shripal Shah (CFO)	Malcolm Mascarenhas (CS)*	Deepesh Jain (CS)*	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	9,00,000	1,69,167	4,29,300	5,98,467
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (1+2+3+4+5)	9,00,000	1,69,167	4,29,300	5,98,467

*Mr. Malcolm Mascarenhas resigned from the Company on August 13, 2016 and and Mr. Deepesh Jain was appointed as Company Secretary on August 13, 2016.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexures to Board's Report (Contd).

Annexure – II

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Aryaman Financial Services Limited
102, Ganga Chambers,
6A/1, W.E.A., Karol Bagh,
New Delhi – 110055

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aryaman Financial Services Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per Exhibit-I for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

(vi) Other laws as applicable specifically to the company as informed by the management that Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the board of directors or committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai

Date: August 28, 2017

Note: This report is to be read with our letter of even date which is annexed as **Exhibit-II** and forms an integral part of this report.

Exhibit - I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
12. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI LODR Regulations.

Exhibit-II

To,
The Members,
Aryaman Financial Services Limited
102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi – 110055

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2017

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management and my examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai
Date: August 28, 2017

Annexure's to Board's Report (Contd).

Annexure – III

Remuneration Policy

This Remuneration Policy relating to remuneration for the directors, key managerial personnel and other employees, has been formulated by the Nomination and Remuneration Committee (hereinafter “Committee”) and approved by the Board of Directors.

Objectives:

The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth

Criteria for Appointment:

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a bonafide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force

Criteria for Remuneration:

The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The remuneration of the Non-Executive Directors shall be based on their contributions and current trends, subject to regulatory limits. Sitting fees is paid for attending each meeting(s) of the Board and Committees thereof. Additionally equal amount of commission may be paid to Non executive directors on a pro-rata basis, within limits approved by shareholders.

Annexures to Board's Report (Contd).
Annexure – IV

Disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	N a m e	Designation/ Nature of Duties	Remuneration Received	Qualification	Ratio of Remuneration of each Director/KMP to median remuneration of employees	Comparison of remuneration of the KMP against the performance of the company
1	Shripal Shah	Whole Time Director & CFO	9,00,000	CFA	1.72	The revenue of the Company increased by 91.38% and the profit of the Company increased by 81.77%
2	Shreyas Shah	Whole Time Director	6,00,000	L.L.B.	1.15	
3	Deepesh Jain	Company Secretary	4,29,300	C.S.	0.82	

Notes:

- The median remuneration of employees of the Company during the financial year was ₹ 5.22 lacs
- There is no change in remuneration of Whole time Directors of the company and performance of the Company for the financial year ended 31st March, 2017 the revenue of the Company increased by 91.38% and the profit of the Company increased by 81.77%.
- There is 13.03% percentage increase in the median remuneration of employees compared to previous financial year;
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Human Resources, Nomination and Remuneration Committee as per remuneration policy for Directors, Key Managerial Personnel and other employees.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors and KMPs but receive remuneration in excess of the highest paid director during the year- Not applicable
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

Annexures to Board's Report (Contd).

Annexure – V

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries:

1.	Sl. No.	1	2
2.	Name of the subsidiary	Aryaman Capital Markets Limited	Escorp Asset Management Limited
3.	The date since when subsidiary was acquired	22 nd July 2008	31 st May 2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
6.	Share capital	11,97,71,260	4,51,00,000
7.	Other Equity	7,22,49,042	3,80,46,442
8.	Total assets	20,00,91,083	11,24,37,608
9.	Total Liabilities	80,70,780	2,92,91,166
10.	Investments	15,27,16,272	8,27,85,000
11.	Turnover	22,84,73,103	51,21,274
12.	Profit before taxation	1,54,16,611	21,41,073
13.	Provision for taxation	33,37,029	3,35,157
14.	Profit after taxation	1,20,79,582	18,05,916
15.	Proposed Dividend	-	-
16.	Extent of shareholding (In percentage)	74.28%	77.61%

Part "B": Associates and Joint Ventures: - Not Applicable

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO REVIEW:

FY17 was a fruitful year economically, Ambitious growth agenda, strong earnings, and reduced political risks and free trade between the countries has lead to steady global recovery. Major Indices of globe are at all high time on account of reduced interest rates and high investor interests in capital markets. Global trade flows rebounded and consumer and business confidence is on the way to growth trajectory.

The Indian economy is on a growth trajectory, inflation remains benign and fiscal and current account position remains comfortable. FDI flows continue to remain buoyant at US\$36 billion and portfolio flows too have returned to \$8 billion in FY17 after an outflow of \$2.5 billion in FY16. What is most encouraging is that India's exports finally emerged from two years of contraction with a 5% growth in FY17, after contracting nearly 16% in FY16.

Overall, the macro-fundamentals of the economy remain strong and the business cycle conditions have improved. Rebound in exports, improving corporate earnings, good monsoons and the government's continued push towards infrastructure, business friendly environment will have positive impact on business in FY18.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Your Company is SEBI registered Category I Merchant Banker. Company mainly participates into SME Segment of Primary market issues. SME Platform offers an entrepreneur and investor friendly environment, which enables the listing of SMEs from the unorganized sector scattered throughout India, into a regulated and organized sector. The platform provides opportunity to SME entrepreneurs to raise equity capital for growth and expansion. It also provides immense opportunity for investors to identify and invest in good SMEs at an early stage.

FY17 was a good year for equity markets with Nifty making its all time high with a return of 19% in FY17 as compared to decline of 9% in FY16. The momentum is likely to continue with an expectation of improvement in corporate earnings going forward. A total of 80 companies got listed on SME Platforms with initial public offers (IPOs) worth ₹ 811 crore in the last fiscal as compared to 46 firms which tapped the IPO route to garner ₹ 304 crore in 2015-16. In 2014-15, 37 firms made debut on the SME platform and raised ₹ 271 crore. These companies are listed on the small and medium enterprise platforms of BSE and NSE.

Source: <http://economictimes.indiatimes.com>

REVIEW OF OPERATIONS

During F.Y. 2016-17, Company has earned a total income of ₹502.50 Lacs compared to previous year's ₹250.02 Lacs. Company came out with 10 IPO's on SME Platform in F.Y. 2016-17 as compared to 3 IPO's in F.Y. 2015-16.

Net profit after tax has increased from ₹ 54.65 Lacs to ₹ 99.70 Lacs. Consequently, EPS increased to ₹ 0.85 from ₹ 0.50. Increased interest by SME's to list on SME bourses has lead to a top-line and bottom line growth.

Further there has been a phenomenal growth in financial performance of the subsidiaries; Aryaman Capital Markets Limited witnessed a top line of ₹ 2284.73 Lacs compared to previous year's ₹ 993.78 Lacs. The rise in top line was on account of increased in market making participation in SME listed companies on Bombay Stock Exchange Limited. Escorp Asset Management Limited, newly acquired subsidiary has entered into portfolio management services business.

OPPORTUNITIES AND THREATS:

➤ **OPPORTUNITIES:**

India is already the fastest growing economy globally and various projections for growth by World Bank or IMF etc., indicate that India will continue to outperform other economies. This would open up vast opportunities for SME businesses which constitutes more than 45% of Industrial Output and which employs large part of total workforce of India. Easy capital generation means and relaxation in Government regulations & policies will facilitate the ease of doing business in India for SME's.

As the Company mainly focuses on SME Companies, robust performance by the SME sector and growth in SME Listed bourses will also open up new client segments which merchant bankers like ours can tap for future growth.

➤ **THREATS:**

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- a) Uncertainty in global markets and slow implementation of regulatory reforms by government can adversely impact the business.
- b) Continuous downward pressure on the fees, commissions and brokerages caused by heightened competition and willingness of most players to deliver services at very low fees;
- c) Any adverse changes in the regulatory and policy environment in which Aryaman and its subsidiaries operates could adversely affect the business and financial condition.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an Internal Control System commensurate with its requirement and size of business to ensure that the assets and interest of the company assets are safeguarded. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid down system and policies are comprehensively and frequently monitored by your company's management at all the levels of the organization. The company has established well defined policies and processes across the organization covering all major activities including authority for approvals. In all cases where monetary decisions are involved, various limits and authorities are in place.

The Audit Committee of the Board of Directors review the existing audit procedures and internal systems of control on an ongoing basis keeping in mind the organization's requirements, growth prospects and ever evolving business environment. They also review the internal audit findings and recommendations and ensure that corrective measures are implemented.

RISKS AND CONCERN:

Risk is an integral part of the business and we aim at delivering superior shareholder value by achieving an appropriate balance between risks and returns. The financial services industry is subject to continuously evolving legislative and regulatory environment due to increasing globalization, integration of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework.

Our senior management identifies and monitors the risks on an ongoing basis and evolves processes/systems to monitor and control the same to contain the risks to minimum levels. Ongoing monitoring by our officials help in identifying risks early. If required, a risk event update report is periodically placed before the Board of Directors of the Company

Regulatory framework, focused on maintaining controls on domestic businesses but even inadvertently creating more favorable regulatory environment for global entities operating in India is a matter of concern. We actively participate in dialogue in industry bodies and with regulators to point these out and to recommend appropriate changes.

HUMAN RESOURCES:

Aryaman Financial Services Ltd. is part of a dynamic and progressive group that actively fosters a challenging work environment and encourages Entrepreneurship. With trust being the critical part of our business belief, we lay a strong emphasis on integrity, teamwork, innovation, performance and partnership. Our professional staff with diverse backgrounds brings varied talent, knowledge and experience to the Group, helping our businesses to remain competitive, achieve greater success and newer milestones.

Our management team and board of directors are resolved to do what, we believe, is best for our shareholders, clients and associates.

SAFE HARBOUR:

This report describing our activities, projections and expectations for the future, may contain certain ‘forward looking statements’ within the meaning of applicable laws and regulations. The actual results of business may differ materially from those expressed or implied due to various risk factors and uncertainties. We are under no obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events and assume no liability for any action taken by anyone on the basis of any information contained herein.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31st MARCH 2017

I. Company Philosophy:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Corporate Governance Code has also been incorporated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

Your Company believes in the concept of Good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder's value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

II. Board of Directors:

As on 31st March, 2017, the strength of the Board was Five Directors. The Board comprised of Two Executive Director and Three Non-Executive Directors. The Chairman of the Board is an Executive Director.

Name of Director	Category	Number of Board Meetings		No. of Directorship(s) held in Indian public & private Limited Companies	Committee(s) position*		Attendance at the last AGM held on August 27, 2016
		Held	Attended		Member	Chairman	
Mr. Shripal Shah	Executive Director	7	7	3	6	-	Present
Mr. Shreyas Shah	Executive Director	7	7	3	-	-	Not Present
Mr. Ram Gaud	Independent Director	7	7	2	3	1	Not Present
Mr. Darshit Parikh	Independent Director	7	7	4	4	4	Present
Mrs. Tejal Vala	Independent Director	7	7	1	1	-	Not Present

* Only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee position.

The Company held Seven meetings of its Board of Directors during the year on May 26, 2016; July 25, 2016; August 11, 2016; September 10, 2016; December 14, 2016; March 22, 2017.

Mr. Shripal Shah and Mr. Shreyas Shah are related to each other.

III. Committees of the Board:

(a) Audit Committee

The Audit Committee, as per Section 177 of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met four times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Audit Committee Meetings held on			
			28.05.2016	13.09.2016	14.12.2016	14.02.2017
Mr. Darshit Parikh	Independent Director	Chairperson	Yes	Yes	Yes	Yes
Mr. Shripal Shah	Executive Director	Member	Yes	Yes	Yes	Yes
Mr. Ram Gaud	Independent Director	Member	Yes	Yes	Yes	Yes

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes:

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management, the Half Yearly Unaudited Financial Statements and the Auditor's Limited Review Report thereon / Audited Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (GAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Mr. Darshit Parikh, the Chairman of the Committee, was present at the last Annual General Meeting (AGM) held on September 24, 2016.

(b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178 of Companies Act, 2013, continued working under Chairmanship of Mr. Ram Gaud. During the year, the committee met three times with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Remuneration Committee held on		
			28.05.2016	11.08.2016	21.03.2017
Mr. Darshit Parikh	Independent Director	Chairperson	Yes	Yes	Yes
Mrs. Ram Gaud	Independent Director	Member	Yes	Yes	Yes
Mrs. Tejal Vala	Independent Director	Member	Yes	Yes	Yes

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;

- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Company has formulated a Remuneration Policy which is annexed to the Board's Report.

Board Evaluation:

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors:

Non-Executive Directors:

Non-Executive Director receive remuneration by way of sitting fees only. The details of sitting fees paid during FY 2016-17 are given in MGT-9. Criteria of making payments to non-executive directors is available on www.afsl.co.in/investor-relation.html.

Executive Directors:

Details of remuneration paid to Executive Director during FY 2016-17 is provided in MGT-9.

Following is remuneration package details for Executive Directors:

Mr. Shripal Shah:

1. **Basic Salary:** Not exceeding ₹ 12,00,000/- (Rupees Twelve Lacs only) per annum as may be decided by the Remuneration Committee and the Board of Directors from time to time.
2. **Perquisites:** shall be entitled for the following perquisites in addition of the salary mentioned herein above.
 - i. **Housing:** The Company shall provide unfurnished accommodation to Mr. Shah. If no accommodation is provided, House Rent Allowance not exceeding 50% of monthly basic salary or as per Rules of the company, whichever is more, shall be payable to him and he shall also be eligible for reimbursement of expenses / allowances for utilization of gas, electricity, water & the same shall be valued as per Income Tax Rule, 1962.
 - ii. **Medical Allowances** including reimbursement, as per rules of the company, subject to a maximum of ₹ 15,000/- (Rupees Fifteen Thousand) per annum.
 - iii. **Free Telephone Facility** at residence and use of Mobile phone for the business of the company.

3. **Other Benefits**

Mr. Shripal Shah shall also be eligible to the following benefits in addition to the above perquisites, which shall not

be included in the computation of the ceiling on remuneration as specified hereinabove:

- i. Leave Encashment: Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

Mr. Shreyas Shah:

- (a) **Salary:** a. Fixed Pay not exceeding ₹ 12,00,000/-
b. Variable Pay up to ₹ 18,00,000/-
- (b) Remuneration to Mr. Shreyas Shah shall be subject to leave and other personal policies of the Company from time to time.
- (c) **Re-imbursment of Expenses:** the Company shall pay or reimburse to Mr. Shreyas Shah, reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment including travel, professional membership and professional development subject to documents submitted by Mr. Shreyas Shah.
4. All payments of remunerations to be made by the Company subject to this resolution shall be gross of tax and shall be subject to deduction of tax payable in accordance with the applicable law as may be from time to time.

Shareholding of Directors:

As at March 31, 2017, following is the shareholding of directors;

Sr. No.	Name of Director	No of Shares	% of Total Shares of the Company
1.	Mr. Shripal Shah	90,000	0.77
2.	Mr. Shreyas Shah	90,000	0.77
3.	Mr. Ram Gaud	260	-

(c) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Darshit Parikh. During the year, the committee met four times with full attendance of all the members. The composition of the Stakeholders' Relationship Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Position in the committee	Attendance at the Stakeholders' Relationship Committee held on			
			28.05.2016	13.09.2016	09.12.2016	21.03.2017
Mr. Darshit Parikh	Independent Director	Chairperson	Yes	Yes	Yes	Yes
Mr. Shripal Shah	Executive Director	Member	Yes	Yes	Yes	Yes
Mrs. Tejal Vala	Independent Director	Member	Yes	Yes	Yes	Yes

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;

- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

During the year, no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2017

IV. General Body Meetings:

Annual general meetings:

The date, time and venue of the last three Annual General Meetings are given below:

AGM	Year ended as on	Venue	Date	Time
20 th	31.03.2014	Jawaharlal Nehru National Youth Centre, 219, Deen Dayal Upadhyaya Marg, New Delhi – 110 002	25.09.2014	12.00 P.M.
21 st	31.03.2015	408, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi, Delhi – 110 003	29.09.2015	12.30 P.M.
22 nd	31.03.2016		24.09.2016	12.00 P.M.

Extraordinary General Meeting or Postal Ballot:


The Company did not hold any Postal Ballot during the F.Y. 2016-17. However an EGM was held on March 15, 2017 at 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai.

V. Means of Communication:

The Quarterly / Annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations. The Quarterly / Annual results are also uploaded on the website of the Company <http://afsl.co.in/investor-relation.html>.

VI. General shareholder information:

AGM – Date, Time And Venue:	September 25, 2017, 9.00 A.M., and 412, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi - 110 003
Financial Year:	1 st April to 31 st March of following year
Book Closure Date:	Monday, September 18, 2017 to Monday, September 25, 2017
ISIN:	INE032E01017
Listing of Equity Shares on stock exchanges:	BSE Limited

Listing fees payment status:	The Company has paid the listing fees, to the Stock Exchanges for the financial year 2017-2018.				
Stock code:	530245				
Share Transfer System:	The Company's shares are compulsorily traded in Demat mode on the BSE Limited. The transfer of Physical shares, if any, are processed and returned to the shareholders within a period of 15 days by the Registrar & Share Transfer Agent.				
Registrar & transfer agents:	Adriot Corporate Services Private Limited 19/20, Jafferboy Industrial Estate 1 st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059				
Market Price Data (Monthly):	Month	High Price	Low Price	No. of Shares Traded	
	Apr-16	20.20	18.30	15151	
	May-16	20.50	18.75	9300	
	Jun - 16	21.00	18.60	145834	
	Jul-16	22.00	19.10	45862	
	Aug-16	24.70	21.50	491195	
	Sep-16	22.95	20.20	444057	
	Oct -16	25.15	21.00	18470	
	Nov-16	26.60	22.50	839415	
	Dec-16	26.30	19.05	361102	
	Jan-17	20.70	17.10	511218	
	Feb-17	24.20	19.50	399878	
	Mar-17	27.55	21.00	87680	
Performance in comparison to BSE Sensex:	 <p>ARYAMAN FIN SER - BSE: 27.45 (39.69%) SENSEX - BSE: 29,620.50 (17.22%)</p>				
Distribution of Shareholding:	Shareholding of Nominal Value of ₹ 10/- each	No. of shareholders	% of shareholders	Share Amount	% of shareholding
	Up to 5000	6	12	6	0.0001
	5001 to 10000	10	27	1,00,000	0.835
	10001 and above	21	57	1,18,77,120	99.16
Dematerialization of	Particulars	No. of Shares		Percentage	

Shares and Liquidity:	Physical Segment		10,99,761	9.41
	Demat Segment			
	NSDL		13,02,424	11.15
	CDSL		92,79,815	79.44
	Total		1,16,82,000	100.00
Shareholding Pattern as March 31, 2017:	Particulars		No. of shares held	%
	Promoters			
	Individual		1,80,000	1.54
	Corporate Bodies		70,83,030	60.63
	Non Promoters			
	Individual / HUF		24,94,187	21.35
	Bodies Corporate		19,21,049	16.44
	Bank / Financial Institutions		800	0.01
	Insurance Companies		-	-
	Mutual Funds/UTI		700	0.01
	Central & State Governments		-	-
	Foreign Institutional Investors		-	-
	NRIs/Foreign Nationals		2034	0.02
	Directors		-	-
Public and Others		-	-	
Total		11682000	100.00	
Details of shares lying in the suspense account:	Sr. No.	Particulars	No. of Shareholders	No. of Shares
	1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
	2.	Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	Nil	Nil
	3.	Number of shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
	4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil	Nil
Address for correspondence:	Aryaman Financial Services Limited Mr. Deepesh Jain (Company Secretary) 60, Khatau Building, Ground. Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001 Tel : 022 – 6216 6999 Fax: 022 – 2263 0434			

VII. Disclosures:

- i. The Company did not have any material significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the audited financial statements.
- ii. The financial statements have been prepared in accordance with the Indian Accounting Standards (IND-AS).
- iii. There were no instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, during the last three years.
- iv. The Company has a vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee
- v. The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.
- vi. Policy for determining ‘material’ subsidiaries and Policy on dealing with related party transactions is available on <http://afsl.co.in/investor-relation.html>
- vii. The CFO have issued certificate pursuant to the provisions of Regulation 17(10) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company’s affairs. The said certificate is annexed and forms part of the Annual Report.
- viii. Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from JNG & Co., Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance of the Listing Regulations forms part of this Report.

Declaration as required under Regulation 26 of SEBI (LODR) Regulations, 2015

In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm that for the financial year ended March 31, 2017, the Directors and Senior Management Personnel of the Company have affirmed compliance with the “AFSL - Code Of Conduct” for Directors and Senior Management Personnel.

For Aryaman Financial Services Limited

**Sd/-
Shripal Shah
(Executive Director)**

DIN: 01628855

Monday, August 28, 2017

CERTIFICATION BY CEO UNDER REGULATION 17 (10) OF THE LISTING REGULATION

To
The Board of Directors,
Aryaman Financial Services Limited.

- (a) We have reviewed the financial statements and the cash flow statement of Aryaman Financial Services Ltd. for the year ended March 31, 2017 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Aryaman Financial Services Limited

Sd/-
Shripal Shah
(Chief Financial Officer)

Place: - Mumbai
Date: - May 30, 2017

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Aryaman Financial Services Limited for the year ended 31st March, 2017 as stipulated in Regulation 17 of the Listing Regulation of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For JNG & Co.,

Sd/-
Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108

Place: Mumbai
Date: August 28, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARYAMAN FINANCIAL SERVICES LIMITED

Report on the Standalone IndAS Financial Statements

We have audited the accompanying standalone IndAS financial statements of **ARYAMAN FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement, the Statement of Change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "IndAS financial statements).

Management's Responsibility for the IndAS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IndAS financial statements that give a true and fair view of the state of the affairs, profit, cash flows and change in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (IndAS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IndAS 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 this IndAS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the act and the rules made thereunder.

We conducted our audit of the standalone IndAS financial statements 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 IndAS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the IndAS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the IndAS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the IndAS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 IndAS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IndAS

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 including the IndAS, of the state of affairs of the Company as at March 31, 2017, and its profit, its cash flows and the change in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these standalone IndAS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the us, whose report for the year ended 31st March 2016 and 31st March 2015 dated 28th May 2016 and 29th May 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the IndAS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 A**”.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of change in equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid IndAS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) As required by the Companies (Auditors’ Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in the “**Annexure B**” statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
 - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended by Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. The Company has provided requisite disclosures in its IndAS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 9 to the IndAS financial statements.

**For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N**

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

ANNEXURE A

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ARYAMAN FINANCIAL SERVICES LIMITED

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

We have audited the internal financial controls over financial reporting of ARYAMAN FINANCIAL SERVICES LIMITED ("the Company") as of 31st March, 2017 in conjunction with our audit of the IndAS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

**For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N**

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

ANNEXURE B
to the Independent Auditors' Report

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017.

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management at the end of the year, which in our opinion, is reasonable having regard to the size of the company and nature of its business and no discrepancies between the book records and the physical fixed assets have been noticed.

(c) The title deeds (7/12) of immovable properties are held in the name of the company.
- 2) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. There were no discrepancies noticed with the books of accounts.
- 3) Based on the audit procedures applied by us and according to the information and explanations given to us the company has not granted any loan to any company listed in the register maintained under section 189 of the companies Act 2013.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have been informed that the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act 2013.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing 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 with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loan during the year. Accordingly the provisions of clause 3 (ix) of the Order are not applicable to the Company..
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we

report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the Management.

- 11) Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has been paid or provided within the limits prescribed by Section 197 of the Companies Act 2013 read with Schedule V of the Act..
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made a preferential allotment of shares by private placement of shares during the year under review. The requirement of Section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised .
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented.

**For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N**

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
ASSETS				
Non-current Assets				
(a)Property, Plant and Equipment	4	1,33,53,095	1,40,59,765	96,13,012
(b)Intangible assets	5	-	6,64,210	8,30,262
(c)Investment in Subsidiaries and Joint Venture	6	13,47,03,464	9,37,03,464	9,37,03,464
(d)Financial Assets				
(i)Loans and Advances	7	3,29,13,213	3,45,40,914	3,49,44,428
Total Non-Current Assets		18,09,69,772	14,29,68,353	13,90,91,166
Current Assets				
(a)Financial Assets				
(i)Trade Receivables	8	16,66,446	3,11,914	19,54,641
(ii)Cash and Cash Equivalents	9	93,51,366	2,10,56,116	1,44,79,176
(iii)Loans and Advances	10	8,96,638	3,79,996	8,06,930
Total Current Assets		1,19,14,450	2,17,48,026	1,72,40,747
Total Assets		19,28,84,222	16,47,16,379	15,63,31,913
EQUITY AND LIABILITIES				
Equity				
(a)Equity Share Capital	11	11,68,20,000	10,97,50,000	10,97,50,000
(b)Other Equity	12	6,04,34,654	4,16,23,217	3,61,57,875
Total equity		17,72,54,654	15,13,73,217	14,59,07,875
Liabilities				
Non-Current liabilities				
(a)Financial Liabilities				
(i)Borrowings	13	28,56,567	35,51,146	6,63,650
(b)Deferred Tax Liability	14	5,83,795	7,65,413	7,07,784
Total Non- Current liabilities		34,40,362	43,16,559	13,71,434
Current liabilities				
(a)Financial Liabilities				
(i)Trade payables	14	11,48,573	8,14,174	3,90,854
(b)Other current liabilities	15	44,84,398	10,68,865	31,33,843
(c)Provisions	16	65,56,237	71,43,567	55,27,909
Total Current Liabilities		1,21,89,207	90,26,606	90,52,606
Total Equity and Liabilities		19,28,84,222	16,47,16,379	15,63,31,913

The accompanying notes are an integral part of the financial statements
In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Sr. No.	Particulars	Note	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
I	Revenue From Operations	17	5,02,49,734	2,50,02,079
II	Other Income	18	3,48,567	14,34,037
III	Total Income (I+II)		5,05,98,301	2,64,36,116
IV	EXPENSES			
	Employee benefits expense	19	1,05,70,260	68,87,823
	Finance costs	20	13,12,374	1,19,652
	Depreciation and Amortization Expense	21	10,77,377	6,60,340
	Impairment Loss	22	6,64,212	-
	Other Expenses	23	2,29,83,005	1,18,19,299
	Total Expenses (IV)		3,66,07,228	1,94,87,114
V	Profit Before Tax (III-IV)		1,39,91,073	69,49,002
VI	Tax Expense:			
	(1) Current Tax		48,05,882	14,26,031
	(2) Short/(Excess) Provision for tax- Previous years		(6,07,129)	-
	(3) Deferred Tax		(1,81,618)	57,629
	Total Tax Expense(VI)		40,17,135	14,83,660
VII	Profit for the year (V-VI)		99,73,938	54,65,342
VIII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	Changes in Fair Value of FVOCI equity instruments		-	-
IX	Total Other Comprehensive Income (i-ii)		-	-
X	Total Comprehensive Income for the year (VII+IX)		99,73,938	54,65,342
XI	Earnings per Equity Share:			
	Basic & Diluted (Face Value ₹ 10 per Equity Share)	24	0.87	0.50

The accompanying notes are an integral part of the financial statements

In terms of our report attached

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Deepesh Jain
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

a) Equity Share Capital:

Particulars	Amount
Balance as at 1st April, 2015	10,97,50,000
Changes in Equity Share Capital during the year 2015-16	-
Balance as at 31st March, 2016	10,97,50,000
Changes in Equity Share Capital during the year 2016-17	70,70,000
Balance as at 31st March, 2017	11,68,20,000

b) Other Equity:

Particulars	Reserves and Surplus				Other comprehensive income (OCI)	Total Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVOCI - Equity Instrument	
As at 1st April, 2015	6,51,750	2,29,30,519	2,60,75,416	(1,34,99,810)	-	3,61,57,875
Profit for the year 2015-16	-	-	-	54,65,342	-	54,65,342
Other comprehensive income for the year 2015-16	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	54,65,342	-	54,65,342
Less: Appropriations	-	-	-	-	-	-
As at 31st March, 2016	6,51,750	2,29,30,519	2,60,75,416	(80,34,468)	-	4,16,23,217
Premium received on share allotment	-	88,37,500	-	-	-	88,37,500
Profit for the year 2016-17	-	-	-	9,973,938	-	99,73,938
Other comprehensive income for the year 2016-17 (net of tax)	-	-	-	-	-	-
Total comprehensive income for the year	-	88,37,500	-	99,73,938	-	1,88,11,438
Less: Appropriations	-	-	-	-	-	-
As at 31st March, 2017	6,51,750	3,17,68,019	26,0,75,416	19,39,470	-	6,04,34,654

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
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Partner
Membership No.11541
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Sd/-
Deepesh Jain
(Company Secretary)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Particulars		For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
A	<u>Cash flow from operating activities</u>		
	Profit for the year	1,39,91,073	69,49,002
	<u>Adjustments for:</u>		
	Finance costs	13,12,374	1,19,652
	Depreciation and Amortization expense	10,77,377	6,60,340
	Interest income	(3,47,517)	(14,17,181)
	Impairment loss	6,64,212	-
	Operating profit before working capital changes	1,66,97,519	63,11,813
	<u>Movements in working capital:</u>		
	(Increase)/decrease in trade receivables	(13,54,532)	16,42,727
	(Increase)/decrease in other assets	(5,16,642)	4,26,934
	Increase /(decrease) in trade payables	3,34,399	4,23,320
	Increase /(decrease) in other liabilities	34,15,533	(20,64,978)
	Increase /(decrease) in provisions	3,66,659	1,89,587
	Cash generated from operations	1,89,42,935	69,29,403
	Direct taxes paid (net)	51,52,742	-
	Net cash from operating activities (A)	137,90,193	69,29,403
B	<u>Cash flows from investing activities</u>		
	Payment for property, plant and equipment (PPE)	(3,70,707)	(49,41,041)
	Investment in subsidiary	(4,10,00,000)	-
	Investment in bank deposit	3,47,517	14,17,181
	Advances given	16,27,701	4,03,514
	Net cash (used in) investing activities (B)	(3,93,95,489)	(31,20,346)
C	<u>Cash flow from financing activities</u>		
	Proceeds from Issue of Shares	70,70,000	-
	Proceeds from Share Premium	88,37,500	-
	Repayment of borrowings	(6,94,579)	28,87,496
	Interest paid	(13,12,374)	(1,19,652)
	Net cash (used in) financing activities (C)	1,39,00,547	27,67,844
	NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	(1,17,04,749)	65,76,901
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,10,56,116	14,479,176
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	93,51,366	2,10,56,116

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

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(Executive Director)
DIN: 01628855

Sd/-
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(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

1. General Information:

Aryaman Financial Services Limited (“the Company”) is a listed entity incorporated in India. The address of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. Basis of preparation:

A. First time Adoption of Ind AS:

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

(a) Exemptions from retrospective application:

(i) Business combination exemption:

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2015 (the “Transition Date”), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

(ii) Share-based payment transactions:

Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has did not have any vested options prior to adoption of Ind AS and thus this will not be applicable to the Company.

(iii) Fair value as deemed cost exemption:

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

(iv) Cumulative translation differences:

Ind AS 21 - The Effects of changes in Foreign Exchange Rate is not applicable to the Company, since its has not entered into any transactions in currency other than its reporting currency.

(v) Investments in subsidiaries:

The Company has elected to measure investment in subsidiaries at cost.

(vi) Decommissioning liabilities:

The Company has elected to apply the transitional provision with respect to recognition of Decommissioning, Restoration and Similar Liabilities.

B. Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Company’s financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied.

The financial statements were approved for issue by the board of directors on May 30, 2017.

Details of the Company's accounting policies are included in Note 3.

C. Functional and presentation currency:

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

D. Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

E. Basis of measurement:

The financial statements have been prepared on the historical cost basis.

F. Use of estimates and judgments:

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3. Significant Accounting Policies:

3.1. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-recognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 4).

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated on cost of items of property, plant and equipment *less* their estimated residual values, over their estimated useful lives, applying the methods as under, and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

Straight Line method (SLM):	Furniture and fixtures, Office equipments, computers and motor vehicles.
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Estimated useful life of assets are as follows:

Asset	Useful life based on SLM (years)
Computers	3
Furniture and fixtures	10
Office equipment	5
Motor Vehicles	8

In respect of the above items of property, plant and equipment, the management has estimated the useful life based on Part “C” of Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The assets depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. The effect of any changes in estimate is accounted on a prospective basis.

3.2. Intangible Assets:

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Acquired Assets:

The intangible assets with finite useful lives that are acquired separately are recorded at cost and are carried at

cost less accumulated amortization and impairment losses, if any.

Intangible assets consisting of Cochin Stock exchange membership fees was previously amortised over their useful life on straight- line method (SLM) over a period of 5 years. However during the financial year ended 31st March, 2017 the same has been fully written off due to impairment.

3.3. Impairment of Tangible and Intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

3.4. Financial Instruments:

Recognition and initial measurement:

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement:

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- fair value through OCI (FVOCI – debt investment);
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

This election is made on an investment- by- investment basis. However since the company holds shares of only its subsidiary companies the same have not been re-measured at fair value through OCI.

Financial assets: Business model assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in

	profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition:

Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3.5. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, and other costs incurred in bringing them to their respective present location and condition.

3.6. Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at bank and on hand and short term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash flows, Cash and cash equivalents comprises cash at bank and on hand, demand deposits, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7. Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for temporary difference associated with investments in subsidiaries and associates and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Current and deferred tax for the year:

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.8. Revenue recognition:

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

Sale of Services

The income from Merchant Banking Services is accrued on percentage basis based on the quantum of work completed.

The income from Project Consultancy is accrued considering stage wise completion of work, wherever agrees upon or feasible, otherwise is accrued on percentage basis of work completed.

3.9. Employee Benefits:

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

3.10. Provisions (other than for employee benefits) and Contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement

3.11. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.12. Leases:

A lease is classified at the inception date as a finance lease or as an operating lease. A lease that transfers substantially all the risks and rewards irrespective of whether title is transferred is classified as finance lease. All other leases are classified as operating lease.

As lessee:

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

As lessor:

Rental income from operating lease granted to the Company's employees is recognised on a straight-line basis over the term of the relevant lease.

3.13. Earnings per share:

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.14. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

4. Property, plant and equipment:

Cost or deemed cost	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1 st April, 2015	83,42,965	13,644	21,320	4,57,497	16,87,186	1,05,22,612
Additions	-	-	15,645	3,32,574	45,92,822	49,41,041
Disposals	-	-	-	-	-	-
Balance as at 31 st March, 2016	83,42,965	13,644	36,965	7,90,071	62,80,008	1,54,63,653
Additions	-	38,678	-	3,32,029	-	3,70,707
Disposals	-	-	-	-	-	-
Balance as at 31 st March, 2017	83,42,965	52,322	36,965	11,22,100	62,80,008	1,58,34,360

Accumulated depreciation	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1 st April, 2015	-	8,194	20,371	4,29,861	4,51,174	9,09,600
Depreciation expense	-	1,572	614	86,209	4,05,893	4,94,288
Eliminated on disposals of assets	-	-	-	-	-	-
Balance as at 31 st March, 2016	-	9,766	20,985	516,070	857,067	14,03,888
Depreciation expense	-	3,074	7,023	3,21,529	7,45,751	10,77,377
Eliminated on disposals of assets	-	-	-	-	-	-
Balance as at 31 st March, 2017	-	12,840	28,008	8,37,599	16,02,818	24,81,265

Carrying amount/Net block	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1 st April, 2015	83,42,965	5,450	949	27,636	12,36,012	96,13,012
Additions	-	-	15,645	3,32,574	45,92,822	49,41,041
Disposals	-	-	-	-	-	-
Depreciation expense	-	1,572	614	86,209	4,05,893	4,94,288
Balance as at 31 st March, 2016	83,42,965	3,878	15,980	2,74,001	54,22,941	1,40,59,765
Additions	-	38,678	-	3,32,029	-	370,707
Disposals	-	-	-	-	-	-
Depreciation expense	-	3,074	7,023	3,21,529	7,45,751	10,77,377
Balance as at 31 st March, 2017	83,42,965	39,482	8,957	2,84,501	46,77,190	1,33,53,095

Footnotes:

- (i) The Company has adopted carrying value as recognized in the financial statement as at 31st March, 2015, measured as per Previous GAAP as its deemed cost. Accordingly, it's Net Block as on 31st March, 2015 is its Gross Block under Ind AS. Breakup of the said Gross block as at 1st April, 2015 is as under:

Particulars	Gross Block	Accumulated Depreciation / Amortization	Net Block
Land - Freehold	83,42,965	-	83,42,965
Furniture and Fixtures	13,644	8,194	5,450
Office Equipment	21,320	20,371	949
Computers	4,57,497	4,29,861	27,636
Motor Vehicle	16,87,186	4,51,174	12,36,012
	1,05,22,612	9,09,600	96,13,012

5. Intangible Assets:

Cost or deemed cost	Cochin Stock Exchange Membership	Total
Balance as at 1 st April, 2015	16,60,526	16,60,526
Additions	-	-
Disposals	-	-
Balance as at 31 st March, 2016	16,60,526	16,60,526
Additions	-	-
Disposals	-	-
Balance as at 31 st March, 2017	16,60,526	16,60,526

Accumulated Amortization	Cochin Stock Exchange Membership	Total
Balance as at 1 st April, 2015	8,30,264	8,30,264
Amortization expense	1,66,052	1,66,052
Eliminated on disposals of assets	-	-
Balance as at 31 st March, 2016	9,96,316	9,96,316
Amortization expense	-	-
Eliminated on disposals of assets	-	-
Balance as at 31 st March, 2017	9,96,316	9,96,316

Carrying amount	Cochin Stock Exchange Membership	Total
Balance as at 1 st April, 2015	8,30,262	8,30,262
Additions	-	-
Disposals	-	-
Amortization expense	1,66,052	1,66,052
Balance as at 31 st March, 2016	6,64,210	6,64,210
Additions	-	-
Disposals	6,64,210	6,64,210
Amortization expense	-	-
Balance as at 31 st March, 2017	-	-

Footnotes:

- (i) The Company has adopted carrying value as recognized in the financial statement as at 31st March, 2015, measured as per Previous GAAP as its deemed cost. Accordingly, it's Net Block as on 31st March, 2015 is its Gross Block under Ind-AS. Breakup of the said Gross block as at 1st April, 2015 is as under:

Particulars	Gross	Accumulated	Net
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	Block	Amortization	Block
As at 1 st April, 2015			
Cochin Stock Exchange Membership	16,60,526	8,30,264	8,30,262
Total	16,60,526	8,30,264	8,30,262

6. Investment in Subsidiaries:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Investments measured at cost (fully paid)			
(i) Subsidiaries:			
Quoted			
88,97,120 (31 st March, 2016: 88,97,120, 1 st April, 2015: 88,97,120) Equity shares of ₹ 10 each of Aryaman Capital Markets Ltd. (refer footnote no. (i))	9,37,03,464	9,37,03,464	9,37,03,464
Unquoted:			
23,00,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Escorp Asset Management Limited	4,10,00,000	-	-
Aggregate amount of investments	13,47,03,464	9,37,03,464	9,37,03,464

Footnotes:

(i) The market value of Investment in Aryaman Capital Markets Ltd is ₹ 17,79,42,400/- as on 31.03.2017 and ₹ 11,38,83,136/- as on 31.03.2016.

7. Non-current financial assets - Loans and Advances:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, considered good			
Security deposit (refer footnote no. (i))	2,50,00,000	2,50,00,000	2,50,00,000
Other Deposit (refer footnote no. (ii))	9,490	9,490	15,09,490
Tax Deducted at Source	79,03,723	95,31,424	84,34,938
Total	3,29,13,213	3,45,40,914	3,49,44,428

Footnotes:

- (i) Security deposit includes amounts paid to landlord as security deposit for office premises amounting to ₹ 2,50,00,000. (31.03.2016: ₹ 2,50,00,000 and 01.04.2015: ₹ 2,50,00,000).
- (ii) Other deposit includes amounts paid to BEST and MTNL amounting to ₹ 9,490 (31.03.2016: ₹ 9,490, 01.04.2015: ₹ 15,09,490).

8. Trade Receivables:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, considered good			
Outstanding for a period exceeding six months from the date they become due for payment	56,860	1,974	10,01,329
Outstanding for a period less than six months	16,09,586	3,09,940	9,53,312
Total	16,66,446	3,11,914	19,54,641

Footnotes:

(iii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

9. Cash and Cash Equivalents:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Balances with banks			
i) in current accounts	49,608	7,96,581	4,85,260
Cash on hand	61,962	1,43,967	77,442
Term deposits with bank	92,39,796	2,01,15,568	1,39,16,474
Total	93,51,366	2,10,56,116	1,44,79,176

Note: The details of specified bank notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as under:

	SBN's	Other denomination notes	Total
Closing cash in hand as on 08.11.2016		23,290	23,290
Add: Permitted receipts	-	2,00,000	2,00,000
Less: Permitted payments	-	(1,68,267)	(1,68,267)
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	55,023	55,023

10. Current Financial Asset-Loans:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Others (refer footnote no. (i))	8,96,638	3,79,996	8,06,930
Total	8,96,638	3,79,996	8,06,930

Footnote:

(i) This includes interest accrued but not due on fixed deposits and prepaid expenses.

11. Equity Share Capital :

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Authorized: 1,17,00,000 (31.03.2016: 1,10,00,000, 01.04.2015: 1,10,00,000) Equity Shares of ₹ 10 each	11,70,00,000	11,00,00,000	11,00,00,000
Issued, Subscribed and Paid up: 1,16,82,000 (31.03.2016: 1,09,75,000 and 01.04.2015: 1,09,75,000) Equity Shares of ₹ 10 each	11,68,20,000	10,97,50,000	10,97,50,000
Total	11,68,20,000	10,97,50,000	10,97,50,000

Notes:

11.1. Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorized share capital:	No. of shares	Amount
Balance as at 1st April, 2015	1,10,00,000	11,00,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2016	1,10,00,000	11,00,00,000
Add / (Less): Changes during the year	7,00,000	70,00,000
Balance as at 31st March, 2017	1,17,00,000	11,70,00,000

Issued, Subscribed and Paid up share capital:	No. of shares	Amount
Balance as at 1st April, 2015	1,09,75,000	10,97,50,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March, 2016	1,09,75,000	10,97,50,000
Add / (Less): Changes during the year	7,07,000	70,70,000
Balance as at 31st March, 2017	1,16,82,000	11,68,20,000

11.2. Terms/ rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

11.3. Details of Shares held by each shareholder holding more than 5% shares in the Company:

Equity share of ₹ 10 each fully paid up with voting rights	Number of fully paid equity shares	% Holding
Mahshri Enterprises Private Limited		
As at 1 st April 2015	71,83,030	65.45%
As at 31 st March, 2016	71,83,030	65.45%
As at 31st March, 2017	71,83,030	61.49%

12. Other Equity:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Capital reserve	6,51,750	6,51,750	6,51,750
General reserve	2,60,75,416	2,60,75,416	2,60,75,416
Securities premium	3,17,68,019	2,29,30,519	2,29,30,519
Retained earnings	19,39,470	(80,34,468)	(1,34,99,810)
Total	6,04,34,654	4,16,23,217	3,61,57,875

12.1. Capital Reserve:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	6,51,750	6,51,750
Add/(Less): Movement during the year	-	-
Balance as at end of the year	6,51,750	6,51,750

12.2. Securities Premium:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	2,29,30,519	2,29,30,519
Add/(Less): Movement during the year	88,37,500	-
Balance as at end of the year	3,17,68,019	2,29,30,519

12.3 General Reserve:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	2,60,75,416	2,60,75,416
Add/(Less): Movement during the year	-	-
Balance as at end of the year	2,60,75,416	2,60,75,416

The general reserve is used from time to time to transfer profits from retained earnings for appropriations purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

12.4 Retained Earnings:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	(80,34,468)	(1,34,99,810)
Profit for the year	99,73,938	54,65,342
Balance as at end of the year	19,39,470	(80,34,468)

13. Borrowings :

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Secured			
From Banks (Refer note (i) below)	-	3,09,032	6,63,650
From Financial Institutions (Refer note (ii) below)	28,56,567	32,42,114	-
Total	28,56,567	35,51,146	6,63,650

Footnotes:

Security and other details

- (i) Loan from Banks represents Car Loan taken from State Bank of India of ₹ 13,58,000 for a tenure of 5 years, repayable in monthly installments of ₹ 29,190/- . The amount payable in next 12 months has been shown as current maturities of long term debt
- (ii) Loan from Financial Institutions represents Car Loan taken from Daimler Financial Services India Private Limited of ₹ 36,00,000 for a tenure of 5 years, repayable in monthly installments of ₹ 59,436/- . The amount payable in next 12 months has been shown as current maturities of long term debt

14. Deferred Tax Liability:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Deferred Tax Liabilities			
- on account of depreciation	5,83,795	7,65,413	7,07,784
Total	5,83,795	7,65,413	7,07,784

15. Trade Payables:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Dues to Micro and Small enterprises	-	-	-
Dues to Others	11,48,573	8,14,174	3,90,854
Total	11,48,573	8,14,174	3,90,854

Footnotes:

- (i) The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

16. Other Current Liabilities:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Current maturities of long term debt	3,48,217	3,53,448	1,75,140
Other payables			
Advances received from Customers	26,39,469	2,30,000	19,29,816
Other liabilities	14,96,712	4,85,417	10,28,887
Total	44,84,398	10,68,865	31,33,843

17. Provisions:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Salaries and reimbursements	9,39,435	5,72,776	3,83,189
Provision for Tax	56,16,802	65,70,791	51,44,720
Total	65,56,237	71,43,567	55,27,909

18. Revenue from Operations:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Income from fees earned	5,02,49,734	2,50,02,079
Revenue from operations	5,02,49,734	2,50,02,079

19. Other Income:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
a) Interest Income		
i) Interest income (Refer note (i) below)	3,47,517	14,17,181
b) Other non-operating Income (Net of expenses directly attributable to such income)		
i) Investment Income	1,050	-
ii) Miscellaneous Income	-	1,620
iii) Sundry balances written back	-	15,236
Total	3,48,567	14,34,037

Notes:

(i) Interest Income comprises:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest on fixed deposits	3,47,517	14,17,181
	3,47,517	14,17,181

20. Employee Benefit Expense:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Salaries, wages and bonus (including managerial remuneration)	1,03,01,841	66,96,878

Staff welfare Expenses	2,68,419	1,90,945
Total	1,05,70,260	68,87,823

21. Finance Costs:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest Expenses on:		
Borrowings	13,00,998	1,13,266
Other borrowing costs (includes fees charged by banks for renewal of sanctioned limits, lead bank charges, etc)	11,376	6,386
Total	13,12,374	1,19,652

22. Depreciation and Amortization Expense:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Depreciation of property, plant and equipment (Refer note 4)	10,77,377	4,94,288
Amortization of intangible assets (Refer note 5)	-	1,66,052
Total	10,77,377	6,60,340

23. Impairment Loss:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Cochin Stock Exchange Membership Fees	6,64,212	-
Total	6,64,212	-

24. Other Expenses:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Rates and Taxes	32,000	43,885
Telephone Expenses	2,37,543	97,183
Professional Charges	1,31,96,109	37,62,526
Membership fees and subscription	2,74,880	16,88,359
Commission & Brokerage	14,38,785	14,34,997
Electricity Charges	4,36,470	3,74,463
Office Administration Expenses	72,14,472	42,67,886
Payment to Auditors (excluding service tax)		
Audit Fees	80,000	80,000
For Taxation Matter	20,000	20,000
For Company Law Matters	10,000	10,000
For Internal Control Report	10,000	10,000
For Limited Review	30,000	30,000
Sundry balances written off	2,746	-
Total	2,29,83,005	1,18,19,299

25. Earnings Per Share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Profit attributable to equity holders of the Company for basic and diluted earnings per share	99,73,938	54,65,342

ii. Weighted average number of ordinary shares

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Number of issued equity shares at 1 st April	1,09,75,000	1,09,75,000
Shares issued during the year (weighted number)	4,33,885	-
Nominal value per share	10	10
Weighted average number of shares at 31st March for basic and diluted earnings per shares	1,14,08,885	1,09,75,000
Basic earnings per share (in ₹)	0.87	0.50

26. Related Party Disclosures:

As per IND AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

Sr. No.	Category	Name of the Related Party/ Relationship
1	Holding Company	Mahshri Enterprises Pvt Ltd
2	Subsidiary Company	Aryaman Capital Markets Ltd Escorp Asset Management Ltd
3	Key Managerial Personnel (KMP)	Mr. Shripal Shah Mr. Shreyas Shah Mr. Deepesh Jain
4	Key Managerial Personnel's Relatives	Mrs. Roopa Shah (Mother) Mrs. Meloni Shah (Wife)

(ii) Transactions during the year with related parties in ordinary course of business:

Sr. No.	Name of the Party	Relationship	Nature of Transactions	Amount
1	Mr. Shripal Shah	KMP	Salary	9,00,000
2	Mr. Shreyas Shah	KMP	Salary	6,00,000
3	Mr. Deepesh Jain	KMP	Salary	4,29,300

(iii) Balance Outstanding with related parties:

Sr. No	Name of the Party	Relationship	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
1	Office Deposit - Vardhaman Investment (Proprietor - Mrs. Roopa Shah)	KMP's relative	2,50,00,000	2,50,00,000	2,50,00,000

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ARYAMAN FINANCIAL SERVICES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **Aryaman Financial Services Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and change in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

AUDITORS' RESPONSIBILITY

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

We conducted our audit of comparative financial statements 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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including Ind AS, of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated profit and their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards prescribed under Section 133 of the Act. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company.
 - e) None of the directors of these entities is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in “**Annexure A**”, which is based on the auditors’ reports of the subsidiary companies.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There is no impact of any pending litigation on the consolidated financial position of the group.
 - ii. The Holding company did not have any long term contract including derivative contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.
 - iv. The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016.

Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Holding Company and its subsidiaries, as produced to us and based on the consideration of report referred to in the Other Matters paragraph above.

**For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N**

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

ANNEXURE A

To the Independent Auditor's Report on the Consolidated Financial Statements of Aryaman Financial Services Ltd

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirement' of our report of even date) Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"). In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the Internal Financial Controls over financial reporting of Aryaman Financial Services Ltd. (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Company internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Holding Company and its subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on internal control over financial reporting criteria established by these Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N**

Sd/-
**C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai**

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
ASSETS				
Non-current Assets				
(a)Property, Plant and Equipment	4	1,75,70,246	1,82,35,285	1,38,55,920
(b)Intangible assets	5	88,814	6,64,211	8,30,263
(c)Goodwill		1,04,09,739	47,32,264	47,32,264
(d)Financial Assets				
(i) Investments	6	23,55,01,272	6,44,31,400	7,81,33,056
(ii) Loans and Advances	7	4,83,45,213	3,99,71,914	3,83,75,428
(e)Other Non-Current Assets	8	15,56,866	15,84,748	23,08,200
Total Non-Current Assets		31,34,72,150	12,96,19,822	13,82,35,131
Current Assets				
(a)Financial Assets				
(i) Inventories	9	47,14,220	5,04,79,890	3,59,91,951
(ii) Trade Receivables	10	18,15,279	7,34,347	21,03,384
(iii) Cash and Cash Equivalents	11	5,54,67,821	4,16,42,892	3,57,84,093
(iv) Loans and Advances	12	56,49,718	14,18,462	17,54,159
Total Current Assets		6,76,47,038	9,42,75,591	7,56,33,587
Total Assets		38,11,19,188	22,38,95,413	21,38,68,718
EQUITY AND LIABILITIES				
Equity				
(a)Equity Share capital	13	11,68,20,000	10,97,50,000	10,97,50,000
(b)Other Equity	14	14,33,07,958	6,04,98,859	4,85,13,358
Total equity		26,01,27,958	17,02,48,859	15,82,63,358
Non-Controlling Interest		6,79,99,715	3,73,34,332	3,49,69,223
Liabilities				
Non-Current liabilities				
(a)Financial Liabilities				
(i) Borrowings	15	28,56,567	35,51,146	6,63,650
(b)Deferred Tax Liability	16	10,25,957	11,46,694	9,87,873
Total Non-Current Liabilities		38,82,524	46,97,840	16,51,523
Current Liabilities				
(a)Financial Liabilities				
(i) Borrowings	17	2,65,00,000	-	93,25,545
(ii) Trade payables	18	18,07,770	10,69,893	5,50,832
(b)Other current liabilities	19	93,47,703	24,49,247	31,34,768
(c)Provisions	20	1,14,53,519	80,95,243	59,73,470
Total Current Liabilities		4,91,08,991	1,16,14,383	1,89,84,615
Total Equity and Liabilities		38,11,19,188	22,38,95,413	21,38,68,718

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Sr. No.	Particulars	Note	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
I	Revenue From Operations	21	27,88,22,837	12,44,06,599
II	Other Income	22	53,64,939	14,34,037
III	Total Income (I+II)		28,41,87,776	12,58,40,636
IV	EXPENSES			
	Purchase of Stock-in-Trade		16,40,25,183	10,95,56,750
	Changes in Inventories (Stock in Trade)		4,57,65,670	(1,44,87,939)
	Employee Benefits Expense	23	1,13,66,275	73,34,106
	Finance Costs	24	30,72,551	2,64,367
	Depreciation and Amortization Expense	25	18,05,006	12,85,418
	Impairment loss	26	6,64,212	-
	Other expenses	27	2,59,45,025	1,30,39,108
	Total Expenses (IV)		25,26,43,922	11,69,91,810
V	Profit Before Tax (III-IV)		3,15,43,854	88,48,826
VI	Tax expense:			
	(1) Current tax		84,98,735	19,84,906
	(2) Short/(Excess) Provision for tax- Previous years		(6,07,129)	-
	(3) Deferred Tax		(1,20,737)	1,59,171
	(4) MAT Credit Entitlement		(81,548)	-
	Total Tax Expenses (VI)		76,89,321	21,44,077
VII	Profit for the year (V-VI)		2,38,54,533	67,04,749
VIII	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	Changes in fair value of FVOCI equity instruments		6,40,63,422	76,61,296
IX	Total other comprehensive income (i - ii)		6,40,63,422	76,61,296
X	Total comprehensive income for the year (VII+IX)		8,79,17,955	1,43,66,045
	Net Profit attributable to:			
	(i) Owners of the Company		2,03,43,755	63,86,551
	(ii) Non Controlling Interest		35,10,777	3,18,198
	Other Comprehensive Income attributable to:			
	(i) Owners of the Company		4,85,62,247	56,91,140
	(ii) Non Controlling Interest		1,55,01,175	19,70,156
	Total Comprehensive Income Attributable to:			
	(i) Owners of the Company		6,89,06,002	1,20,77,691
	(ii) Non Controlling Interest		1,90,11,952	22,88,354
XI	Earnings per Equity Share:			
	Basic & Diluted (Face value ₹ 10 per equity share)	28	2.09	0.61

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

c) Equity Share Capital:

Particulars	Amount
Balance as at 1st April, 2015	10,97,50,000
Changes in Equity Share Capital during the year 2015-16	-
Balance as at 31st March, 2016	10,97,50,000
Changes in Equity Share Capital during the year 2016-17	70,70,000
Balance as at 31st March, 2017	11,68,20,000

d) Other Equity:

Particulars	Reserves and Surplus				Other comprehensive Income (OCI)	Total Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	FVOCI - Equity Instrument	
As at 1st April, 2015	6,51,750	3,04,99,470	2,60,75,416	(1,20,36,005)	33,22,728	4,85,13,358
Profit for the year 2015-16	-	-	-	63,86,551	-	63,86,551
Other Comprehensive Income for the year 2016-17 (Net of Tax)	-	-	-	-	56,91,140	56,91,140
Total comprehensive income for the year	-	-	-	63,86,551	56,91,140	1,20,77,691
Less: Appropriations	-	-	-	-	-	-
As at 31st March, 2016	6,51,750	3,04,99,470	2,60,75,416	(56,49,454)	90,13,868	6,05,91,049
Securities Premium received during the year	-	1,42,04,153	-	-	-	1,42,04,153
Profit for the year 2016-17	-	-	-	2,03,43,755	-	2,03,43,755
Other comprehensive income for the year 2016-17 (Net of Tax)	-	-	-	-	4,85,62,247	4,85,62,247
Total Comprehensive Income for the year	-	1,42,04,153	-	2,03,43,755	4,85,62,247	8,31,10,156
Less: Appropriations	-	-	-	-	-	-
As at 31st March, 2017	6,51,750	4,47,03,623	2,60,75,416	1,43,01,054	5,75,76,115	14,33,07,958

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Particulars		For the year ended 31 st March 2017	For the year ended 31 st March 2017
A	Cash Flow from Operating Activities		
	Profit for the year	3,15,43,854	88,48,826
	Adjustments for:		
	Finance costs	30,72,551	2,64,367
	Depreciation and Amortization Expense	18,05,006	12,85,418
	Interest Income	(31,57,151)	(14,17,181)
	Impairment Loss	6,64,212	-
	Income from Investments	(22,07,788)	-
	Operating Profit Before Working Capital Changes	3,17,20,684	89,81,430
	Movements in Working Capital:		
	(Increase)/Decrease in Inventories	4,57,65,670	(1,44,87,939)
	(Increase)/Decrease in Trade Receivables	(10,80,932)	13,69,037
	(Increase)/decrease in other assets	(42,31,256)	3,35,697
	Increase /(decrease) in trade payables	7,37,877	5,19,061
	Increase /(decrease) in other liabilities	68,98,456	(6,85,521)
	Increase /(decrease) in provisions	9,19,889	1,89,627
	Cash generated from operations	80,730,388	(37,78,608)
	Direct taxes paid (net)	53,71,671	52,760
	Net cash from operating activities (A)	7,53,58,716	(38,31,368)
B	Cash flows from investing activities		
	Payment for property, plant and equipment (PPE)	(5,98,020)	(49,70,141)
	Interest income	31,57,151	14,17,181
	Investment income	22,07,788	-
	Advances given	(83,73,299)	(21,40,861)
	(Increase)/decrease in Investments	(10,70,06,450)	21,362,952
	Net cash (used in) investing activities (B)	(11,06,12,830)	1,56,69,131
C	Cash flow from financing activities		
	Proceeds from Issue of Shares	70,70,000	-
	Proceeds from Share Premium	1,92,48,290	-
	Repayment of borrowings	(6,94,579)	28,87,496
	Interest paid	(30,72,551)	(2,64,367)
	Proceeds from Short term Borrowings	2,65,00,000	(93,25,545)
	(Increase)/decrease in other non-current assets	27,882	7,23,452
	Net cash (used in) financing activities (C)	4,90,79,043	(59,78,964)
	NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	1,38,24,929	58,58,799
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,16,42,892	3,57,84,093
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5,54,67,821	4,16,42,892

In terms of our report attached

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. General Information

Aryaman Financial Services Limited (“the Company”) is a listed entity incorporated in India. The address of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. Basis of preparation

A First time Adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

(b) Exemptions from retrospective application:

(i) Business combination exemption:

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2015 (the “Transition Date”), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

(ii) Share-based payment transactions:

Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has did not have any vested options prior to adoption of Ind AS and thus this will not be applicable to the Company.

(iii) Fair value as deemed cost exemption:

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

(iv) Cumulative translation differences:

Ind AS 21 - The Effects of changes in Foreign Exchange Rate is not applicable to the Company, since it has not entered into any transactions in currency other than its reporting currency.

(v) Investments in subsidiaries:

The Company has elected to measure investment in subsidiaries at cost.

(vi) Decommissioning liabilities:

The Company has elected to apply the transitional provision with respect to recognition of Decommissioning, Restoration and Similar Liabilities.

B Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Company’s financial statements up to and for the year ended 31st March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied.

The Financial Statements were approved for issue by the board of directors on May 30, 2017.

Details of the Company's accounting policies are included in Note 3.

C Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

D Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

E Basis of measurement

The financial statements have been prepared on the historical cost basis.

F Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3. Significant Accounting Policies

3.1. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Subsequent expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-recognition:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, is recognized in the Statement of Profit or Loss.

Reclassification to investment property:

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 4).

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated on cost of items of property, plant and equipment *less* their estimated residual values, over their estimated useful lives, applying the methods as under, and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

Straight Line method (SLM):	Furniture and fixtures, Office equipments, computers and motor vehicles.
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Estimated useful life of assets are as follows:

Asset	Useful life based on SLM (years)
Computers	3
Furniture and fixtures	10
Office equipment	5
Motor Vehicles	8
Leasehold Premises	30

In respect of the above items of property, plant and equipment, the management has estimated the useful life based on Part “C” of Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The assets depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. The effect of any changes in estimate is accounted on a prospective basis.

3.2. Intangible Assets:

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Acquired assets:

The intangible assets with finite useful lives that are acquired separately are recorded at cost and are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets are amortized over their useful life on straight- line method (SLM) over a period of 5 years. However intangible assets consisting of Cochin Stock exchange membership fees was fully amortised during the financial year ended 31st March, 2017 on account impairment.

3.3 Impairment of Tangible and Intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

3.4. Financial Instruments:

Recognition and initial measurement:

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement:

Financial assets:

On initial recognition, a financial asset is classified as measured at

- Amortised Cost;
- Fair Value through OCI (FVOCI – debt investment);
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis. However since the company holds shares of only its

subsidiary companies the same have not been re-measured at fair value through OCI.

Financial assets: Business model assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company’s management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial Assets at Amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the

	effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition:

Financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3.5. Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, and other costs incurred in bringing them to their respective present location and condition.

3.6. Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at bank and on hand and short term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the Statement of Cash flows, Cash and cash equivalents comprises cash at bank and on hand, demand deposits, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7. Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax asset are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized of the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for temporary difference associated with investments in subsidiaries and associates and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Current and deferred tax for the year:

Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.8. 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.

Sale of Services

The income from Merchant Banking Services is accrued on percentage basis based on the quantum of work completed.

The income from Project Consultancy is accrued considering stage wise completion of work, wherever agrees upon or feasible, otherwise is accrued on percentage basis of work completed.

All other revenues are recognized in the financials on accrual basis.

3.8. Employee Benefits:

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

3.9 Provisions (other than for employee benefits) and Contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

Contingent liabilities and contingent assets

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - A present obligation arising from past events, when no reliable estimate is possible;
 - A possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.10. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.11. Leases:

A lease is classified at the inception date as a finance lease or as an operating lease. A lease that transfers substantially all the risks and rewards irrespective of whether title is transferred is classified as finance lease. All other leases are classified as operating lease.

As lessee:

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis

over the lease term.

As lessor:

Rental income from operating lease granted to the Company's employees is recognised on a straight-line basis over the term of the relevant lease.

3.12. Earnings per share:

Basic earnings per share are calculated by dividing the profit/ (loss) from continuing operations and the total profit/ (loss) attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit/(loss) from continuing operations and the total profit/(loss) attributable to equity shareholders by the weighted average number of shares outstanding during the period after adjusting the effects of all dilutive potential equity shares.

3.13. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

4. Property, Plant & Equipment:

Cost or deemed cost	Lease hold Premises	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1st April, 2015	43,63,148	83,42,965	24,684	31,977	4,97,164	16,87,186	1,49,47,124
Additions	-	-	-	15,645	3,61,674	45,92,822	49,70,141
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2016	43,63,148	83,42,965	24,684	47,622	8,58,838	62,80,008	1,99,17,265
Additions	-	-	38,678	69,875	4,00,029	-	5,08,582
Disposals	-	-	-	-	-	-	-
Balance as at 31st March, 2017	43,63,148	83,42,965	63,362	1,17,497	12,58,867	62,80,008	2,04,25,847

Accumulated depreciation	Lease hold Premises	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1st April, 2015	1,47,568	-	10,019	25,691	4,56,752	4,51,174	10,91,204
Depreciation expense	69,234	-	2,662	1,784	1,11,203	4,05,893	5,90,776
Eliminated on disposals of assets	-	-	-	-	-	-	-
Balance as at 31st March, 2016	2,16,802	-	12,681	27,475	5,67,955	8,57,067	16,81,980
Depreciation expense	71,202	-	4,350	9,008	3,43,310	7,45,751	11,73,621
Eliminated on disposals of	-	-	-	-	-	-	-

assets							
Balance as at 31st March, 2017	2,88,004	-	17,031	36,483	9,11,265	16,02,818	28,55,601

Carrying amount/Net block	Lease hold Premises	Freehold land	Furniture and Fixtures	Office Equipments	Computer	Motor Vehicle	Total
Balance as at 1st April, 2015	42,15,580	83,42,965	14,665	6,286	40,412	12,36,012	1,38,55,920
Additions	-	-	-	15,645	3,61,674	45,92,822	49,70,141
Disposals	-	-	-	-	-	-	-
Depreciation expense	69,234	-	2,662	1,784	1,11,203	4,05,893	5,90,776
Balance as at 31st March, 2016	41,46,346	83,42,965	12,003	20,147	2,90,883	54,22,941	1,82,35,285
Additions	-	-	38,678	69,875	4,00,029	-	508,582
Disposals	-	-	-	-	-	-	-
Depreciation expense	71,202	-	4,350	9,008	3,43,310	7,45,751	11,73,621
Balance as at 31st March, 2017	40,75,144	83,42,965	46,331	81,014	3,47,602	46,77,190	1,75,70,246

Footnotes: The Company has adopted carrying value as recognized in the financial statement as at 31st March, 2015, measured as per Previous GAAP as its deemed cost. Accordingly, its Net Block as on 31st March, 2015 is its Gross Block under Ind AS. Breakup of the said Gross block as at 1st April, 2015 is as under:

Particulars	Gross Block	Accumulated Depreciation / Amortisation	Net Block
Lease hold premises	43,63,148	1,47,568	42,15,580
Land - Freehold	83,42,965	-	83,42,965
Furniture and Fixtures	24,684	10,019	14,665
Office Equipment	31,977	25,691	6,286
Computers	4,97,164	4,56,752	40,412
Motor Vehicle	16,87,186	4,51,174	12,36,012
Total	1,49,47,124	10,91,204	1,38,55,920

5. Intangible assets:

Cost or Deemed cost	Cochin Stock Exchange Membership	Back Office Software	Total
Balance as at 1st April, 2015	16,60,526	52,809	17,13,335
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March, 2016	16,60,526	52,809	17,13,335
Additions	-	89,438	89,438
Disposals	-	-	-
Balance as at 31st March, 2017	16,60,526	1,42,247	18,02,773

Accumulated Amortization	Cochin Stock	Back office	Total
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	Exchange Membership	software	
Balance as at 1st April, 2015	8,30,264	52,808	8,83,072
Amortisation Expense	1,66,052	-	1,66,052
Eliminated on Disposals of Assets	-	-	-
Balance as at 31st March, 2016	9,96,316	52,808	10,49,124
Amortisation Expense	-	625	625
Eliminated on Disposals of Assets	-	-	-
Balance as at 31st March, 2017	9,96,316	53,433	10,49,749

Carrying amount	Cochin Stock Exchange Membership	Back office software	Total
Balance as at 1st April, 2015	8,30,262	1	8,30,263
Additions	-	-	-
Disposals	-	-	-
Amortisation Expense	1,66,052	-	1,66,052
Balance as at 31st March, 2016	6,64,210	1	6,64,211
Additions	-	89,438	89,438
Disposals	6,64,210	-	6,64,210
Amortisation Expense	-	625	625
Balance as at 31st March, 2017	-	88,814	88,814

Footnotes: The Company has adopted carrying value as recognized in the financial statement as at 31st March, 2015, measured as per Previous GAAP as its deemed cost. Accordingly, it's Net Block as on 31st March, 2015 is its Gross Block under Ind AS. Breakup of the said Gross block as at 1st April, 2015 is as under:

Particulars	Gross Block	Accumulated Amortization	Net Block
	As at 1 st April, 2015		
Cochin Stock Exchange Membership	16,60,526	8,30,264	8,30,262
Total	16,60,526	8,30,264	8,30,262

6. Non- Current Investment:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Investments measured at Cost (fully paid)			
Unquoted:			
NIL (31 st March, 2016: 90,000, 1 st April, 2015: 175,250) Equity shares of ₹ 10 each of Overskud Multi Asset Management Pvt. Ltd	-	1,35,00,000	2,62,87,500
Investments measured at Fair Value through Other Comprehensive Income (fully paid)			
Quoted: (refer footnote no. (i))			
176,000 (31 st March, 2016: 180,000, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of AGI Infra Ltd.	2,49,92,000	1,79,46,000	-
138,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Bajaj Health Care Ltd.	10,76,40,000	-	-
210,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Mitsui Chem Plast Ltd.	3,69,60,000	-	-
2500 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of KP Energy Ltd.	3,20,000	-	-
616,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Vaksans Automobile Ltd.	1,40,14,000	-	-

192,000 (31 st March, 2016: 252,000, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of SRG Securities Finance Ltd.	40,60,800	73,71,000	52,92,000
405,600 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Visefinfo Ltd.	76,952	-	-
44,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Diksat Transworld Ltd.	2,23,60,000	-	-
7200 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Valiant Organics Ltd.	31,32,000	-	-
4300 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Manas Properties Ltd.	15,48,860	-	-
78,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Maximus International Ltd.	19,61,700	-	-
49,600 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Octware Technologies Ltd.	44,64,000	-	-
62,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Prime Customer Services Ltd.	37,51,000	-	-
9600 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Amarpali Fincap Ltd.	6,60,960	-	-
158,000 (31 st March, 2016: NIL, 1 st April, 2015: NIL) Equity shares of ₹ 10 each of Tanvi Foods India Ltd.	95,59,000	-	-
Nil (31 st March, 2016: 4500, 1 st April, 2015: 10,000) Equity shares of ₹ 10 each of Reliance Industries Ltd.	-	47,03,400	82,47,000
2310 (31 st March, 2016: 262,300, 1 st April, 2015: 196,800) Equity shares of ₹ 10 each of SRG Housing Finance Ltd. (refer footnote no.	-	1,83,61,000	1,88,92,800
610,2799(31 st March, 2016: 500,0000, 1 st April, 2015: 33,65,056) Equity shares of ₹ 1 each of Land mark Leisure Corpn Ltd	-	25,50,000	24,56,491
NIL (31 st March, 2016: NIL, 1 st April, 2015: 28,000,000) Equity shares of ₹ 1 each of Indra Deco Ltd	-	-	72,80,000
NIL (31 st March, 2016: NIL, 1 st April, 2015: 10,000) Equity shares of ₹ 10 each of Jet Airways Ltd	-	-	48,81,000
NIL (31 st March, 2016: NIL, 1 st April, 2015: 65,940) Equity shares of ₹ 10 each of Sangam Advisors Ltd	-	-	6,72,588
NIL (31 st March, 2016: NIL, 1 st April, 2015: 43,746) Equity shares of ₹ 10 each of Shreeram Urban Infra Ltd	-	-	33,96,877
NIL (31 st March, 2016: NIL, 1 st April, 2015: 79,000) Equity shares of ₹ 10 each of Zenith Birla Ltd	-	-	7,26,800
Aggregate amount of investments	23,55,01,272	6,44,31,400	7,81,33,056
Market Value of Quoted Investments	23,55,01,272	5,09,31,400	5,18,45,556
Aggregate Value of Quoted Investments	15,93,03,566	3,87,97,116	4,73,72,568

Footnotes: (i) The market value of Investment in Aryaman Capital Markets Ltd is ₹ 17,79,42,400/- as on 31.03.2017 and ₹ 11,38,83,136/- as on 31.03.2016

7. Non-current financial assets - Loans and Advances:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, considered good			
Security deposit (refer footnote no. (i))	4,04,32,000	3,04,31,000	2,84,31,000
Other Deposit (refer footnote no. (ii))	9,490	9,490	15,09,490
Total	4,83,45,213	3,99,71,914	3,83,75,428

Footnote:

(i) Security deposit includes amounts paid to landlord as security deposit for office premises amounting to ₹ 40,432,000. (31.03.2016: ₹ 30,431,000 and 01.04.2015: ₹ 25,000,000).

(ii) Other deposit includes amounts paid to BEST and MTNL amounting to ₹ 9,490 (31.03.2016: ₹ 9,490, 01.04.2015: ₹ 15,09,490).

8. Other Non-Current Assets:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unamortized Expenses - Public Issue	14,64,838	15,84,748	21,13,338
Service Tax Input	92,028	-	1,94,862
Total	15,56,866	15,84,748	23,08,200

9. Inventories:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Quoted Equities- closing stock	47,14,220	5,04,79,890	3,59,91,951
Total	47,14,220	5,04,79,890	3,59,91,951

10. Trade Receivables:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, considered good			
Outstanding for a period exceeding six months from the date they become due for payment	2,05,693	1,50,807	10,01,329
Outstanding for a period less than six months	16,09,586	5,83,540	11,02,055
Total	18,15,279	7,34,347	21,03,384

Footnotes: (i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

11. Cash & Cash Equivalents:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Balances with banks			
i) in Current accounts	28,92,823	17,49,189	9,67,745
Cash on hand	7,10,202	6,53,135	5,88,474
Term deposits with bank	5,18,64,796	3,92,40,568	3,42,27,874
Total	5,54,67,821	4,16,42,892	3,57,84,093

Note:

	SBN's	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	6,31,804	6,31,804
Add: Permitted receipts	-	2,50,000	2,50,000
Less: Permitted payments	-	(1,70,497)	(1,70,497)
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	10,52,301	10,52,301

12. Current Financial Assets – Loans:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Others	44,25,505	14,18,462	17,54,159
Advance Income Tax/ Refund Due	12,24,213	-	-
Total	56,49,718	14,18,462	17,54,159

Footnotes: (i) This includes interest accrued but not due on Fixed Deposits and Prepaid Expenses.

13. Equity share capital:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Authorized: 1,17,00,000 (31.03.2016: 1,10,00,000, 01.04.2015: 1,10,00,000) Equity Shares of ₹ 10 each	11,70,00,000	11,00,00,000	11,00,00,000
Issued, Subscribed and Paid up: 1,16,82,000 (31.03.2016: 1,09,75,000 and 01.04.2015: 1,09,75,000) Equity Shares of ₹ 10 each	11,68,20,000	10,97,50,000	10,97,50,000
Total	11,68,20,000	10,97,50,000	10,97,50,000

Notes:

a. Reconciliation of number of shares outstanding at the beginning and end of the year:

Authorized share capital:	No. of shares	Amount
Balance as at 1st April,2015	1,10,00,000	11,00,00,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2016	1,10,00,000	11,00,00,000
Add / (Less): Changes during the year	7,00,000	70,00,000
Balance as at 31st March,2017	1,17,00,000	11,70,00,000

Issued, Subscribed and Paid up share capital:	No. of shares	Amount
Balance as at 1st April,2015	1,09,75,000	10,97,50,000
Add / (Less): Changes during the year	-	-
Balance as at 31st March,2016	1,09,75,000	10,97,50,000
Add / (Less): Changes during the year	7,07,000	70,70,000
Balance as at 31st March,2017	1,16,82,000	11,68,20,000

b. Terms / Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

c. Details of shares held by each Shareholder holding more than 5% shares in the Company:

Equity share of ₹ 10 each fully paid up with voting rights	Number of fully paid equity shares	% Holding
Mahshri Enterprises Private Limited		
As at 1 st April 2015	71,83,030	65.45%
As at 31 st March, 2016	71,83,030	65.45%
As at 31st March, 2017	71,83,030	61.49%

14. Other Equity:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Capital reserve	6,51,750	6,51,750	6,51,750
General reserve	2,60,75,416	2,60,75,416	2,60,75,416
Securities premium	4,47,03,623	3,04,99,470	3,04,99,470
Retained earnings	1,43,01,055	(57,41,644)	(1,20,36,005)
Other Comprehensive Income	5,75,76,115	90,13,868	33,22,728
Total	14,33,07,958	6,04,98,859	4,85,13,358

14.1. Capital Reserve:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March 2016
Balance as at beginning of the year	6,51,750	6,51,750
Add/(Less): Movement during the year	-	-
Balance as at end of the year	6,51,750	6,51,750

a. Securities Premium:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	3,04,99,470	3,04,99,470
Add/(Less): Movement during the year	1,42,04,153	-
Balance as at end of the year	4,47,03,623	3,04,99,470

b. General reserve:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	2,60,75,416	2,60,75,416
Add/(Less): Movement during the year	-	-
Balance as at end of the year	2,60,75,416	2,60,75,416

The general reserve is used from time to time to transfer profits from retained earnings for appropriations purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

c. Retained Earnings:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	(60,42,701)	(1,21,16,270)
Profit for the year	2,03,43,755	63,74,626
Balance as at end of the year	1,43,01,055	(57,41,644)

d. Other Comprehensive Income:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Balance as at beginning of the year	90,13,868	33,22,728
Add/(Less): Movement during the year	4,85,62,247	56,91,140
Balance as at end of the year	5,75,76,115	90,13,868

15. Borrowings:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Secured			
From Banks (Refer note (i) below)	-	3,09,032	6,63,650
From Financial Institutions (Refer note (ii) below)	28,56,567	32,42,114	-
Total	28,56,567	35,51,146	6,63,650

Foot note:

Security and other details

(i) Loan from Banks represents Car Loan taken from State Bank of India of ₹ 13,58,000 for a tenure of 5 years, repayable in monthly installments of ₹ 29,190/- . The amount payable in next 12 months has been shown as current maturities of long term debt.

(ii) Loan from Financial Institutions represents Car Loan taken from Daimler Financial Services India Pvt Ltd of ₹ 36,00,000 for a tenure of 5 years, repayable in monthly installments of ₹ 59,436/- . The amount payable in next 12 months has been shown as current maturities of long term debt.

16. Deferred Tax Liability:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Deferred Tax Liabilities			
- on account of Depreciation	10,25,957	11,46,694	9,87,873
Total	10,25,957	11,46,694	9,87,873

17. Borrowings:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured			
From Financial Institution (refer note (i))	2,65,00,000	-	-
Bank Overdraft	-	-	93,25,545
Total	2,65,00,000	-	93,25,545

Footnote: (i) The above loan has been taken from ARC Finance Ltd, during the financial year 2016-17 carrying an interest rate of 10.00 % p.a.

18. Trade payables:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Dues to Micro and Small enterprises	-	-	-
Dues to Others			
Creditors for Expense	14,53,611	9,87,403	5,15,734

<i>Other payables</i>	3,54,159	82,490	35,098
Total	18,07,770	10,69,893	5,50,832

Footnote: (i) The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

19. Other Current Liabilities:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Current Maturities of Long Term Debt	3,48,217	3,53,448	1,75,140
<u>Other Payables</u>			
Advances received from Customers	56,59,469	15,90,000	19,29,816
Other Liabilities	33,40,017	5,05,799	10,29,812
Total	93,47,703	24,49,247	31,34,768

20. Provisions:

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Salaries and Reimbursements	9,92,665	5,72,776	3,83,149
Provision for Tax	99,60,854	75,22,467	55,90,321
Provision for IPO Expense	5,00,000	-	-
Total	1,14,53,519	80,95,243	59,73,470

21. Revenue From Operations:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Income from fees earned	5,03,49,734	2,50,28,079
Income from Brokerage, Commissions and other fees earned	24,52,000	9,52,446
Income from Trading & Investment	89,99,431	(1,44,62,819)
Income from Interest	23,84,452	15,16,758
Income from Dividend	-	1,83,250
Sales (Stock in Trade)	21,46,37,220	11,11,88,885
Revenue from operations	27,88,22,837	12,44,06,599

22. Other Income:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
a) Interest Income		
i) Interest income (Refer note (i) below)	31,57,151	14,17,181
b) Other non-operating Income (Net of expenses directly attributable to such income)		
Investment Income	22,07,788	-
Miscellaneous Income	-	1,620
Sundry balances written back	-	15,236
Total	53,64,939	14,34,037

Notes:

Interest Income comprises	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest on fixed deposits	31,57,151	14,17,181
Totals	31,57,151	14,17,181

23. Employee Benefit Expense:

Particular	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Salaries, wages and bonus (including managerial remuneration)	1,10,37,648	71,03,939
Staff welfare expenses	3,28,627	2,30,167
Total	1,13,66,275	73,34,106

24. Finance Costs:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest Expenses on:		
Borrowing	30,51,677	2,51,999
Other borrowing costs (includes fees charged by banks for renewal of sanctioned limits, lead bank charges, etc)	20,875	12,368
Total	30,72,551	2,64,367

25. Depreciation and Amortization Expense:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Depreciation of Property, Plant and Equipment (Refer note 4)	11,73,621	5,90,776
Amortisation of Intangible Assets (Refer note 5)	625	1,66,052
IPO Expenses Amortised	6,30,760	5,28,590
Total	18,05,006	12,85,418

26. Impairment Loss:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Cochin Stock Exchange Membership Fees	6,64,212	-
Total	6,64,212	-

27. Other Expenses:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Rates and Taxes	32,000	48,205
Telephone Expenses	2,91,273	1,53,507
Professional Charges	1,33,04,109	38,49,786

Membership fees and subscription	3,02,658	16,88,359
Commission & Brokerage	14,38,785	14,34,997
Electricity Charges	4,36,470	3,74,463
Office Administration Expenses	93,97,952	52,65,291
<i>Payment to Auditors (excluding service tax)</i>		
Audit Fees	1,20,000	1,05,500
For Taxation Matter	35,000	35,000
For Company Law Matters	10,000	10,000
For Internal Control Report	20,000	20,000
For Limited Review	54,000	54,000
Sundry balances written off	2,779	-
Provision for IPO Expenses	5,00,000	-
Total	2,59,45,025	1,30,39,108

28. Earnings per share (EPS):

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company:

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Profit attributable to equity holders of the Company for basic and diluted earnings per share	2,38,54,533	67,04,749

ii. Weighted average number of ordinary shares:

(₹ in lakhs)

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Number of issued equity shares at 1 st April	1,09,75,000	1,09,75,000
Shares issued during the year (weighted number)	4,33,885	-
Nominal value per share	10	10
Weighted average number of shares at 31st March for basic and diluted earnings per shares	1,14,08,885	1,09,75,000
Basic earnings per share (in ₹)	2.09	0.61

29. Related Party Disclosures:

As per IND AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

Sr. No.	Category	Name of the Related Party/ Relationship
1	Holding Company	Mahshri Enterprises Pvt Ltd
2	Subsidiary Company	Aryaman Capital Markets Ltd
		Escorp Asset Management Ltd

3	Key Managerial Personnel (KMP)	Mr. Shripal Shah
		Mr. Shreyas Shah
		Mr. Deepesh Jain
4	Key Managerial Personnel's Relatives	Mrs. Roopa Shah (Mother)
		Mrs. Meloni Shah (Wife)

(ii) Transactions during the year with related parties in ordinary course of business:

Sr. No.	Name of the Party	Relationship	Nature of Transactions	Amount
1	Mr. Shripal Shah	KMP	Salary	9,00,000
2	Mr. Shreyas Shah	KMP	Salary	6,00,000
3	Mr. Deepesh Jain	KMP	Salary	4,29,300

(iii) Balance Outstanding with related parties:

Sr. No.	Name of the Party	Relationship	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
1	Office Deposit - Vardhaman Investment (Proprietor - Mrs. Roopa Shah)	KMP's relative	2,50,00,000	2,50,00,000	2,50,00,000

30. First-time adoption of Ind AS:

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions availed:

b. Deemed Cost:

The Company has elected to continue with the carrying value for all of its property, plant and equipment and Intangible assets as recognised in the financial statement as at 31.03.2015, measured as per the previous GAAP and use that as its deemed cost as at the transition date.

c. Investments in subsidiaries:

The Company has elected to continue with the carrying amount of investment as recognised in the financial statement as at 31.03.2015, measured as per the previous GAAP and used that as its deemed cost as at the transition date.

d. Designation of previously recognised financial instruments:

The Company has elected to designate investments in equity instruments (other than equity instrument in subsidiaries) at fair value through other comprehensive income on the basis of the facts and circumstances at the date of transition to Ind AS.

B. Applicable Mandatory Exceptions:

a. Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1st April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- i. Investment in equity instruments carried at fair value through other comprehensive income; and

b. Derecognition of financial assets and financial liabilities:

Derecognition of financial assets and liabilities as required by Ind AS 109 shall be applied prospectively i.e. after the transition date.

c. Classification and measurement of financial assets:

As required under Ind AS-101 the Company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Where practicable, measurement of financial assets accounted at amortized cost has been done retrospectively

C. Transition to Ind AS – Reconciliations:

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- i. Reconciliation of Balance sheet as at 1st April, 2015 (Transition Date);
- ii. Reconciliation of Balance sheet as at 31st March, 2016;
- iii. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016;
- iv. Reconciliation of Equity as at 1st April, 2015 and as at 31st March, 2016;

The presentation requirements under Previous GAAP differ from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The re-grouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

(i) & (ii) Reconciliation of Balance sheet as at 1st April, 2015 (Transition Date) and 31st March, 2016:

Particulars	Note reference	As at 31 st March, 2016 (End of the last period presented under previous GAAP)			As at 1 st April, 2015 (Date of transition)		
		Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS balance sheet	Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS balance sheet
ASSETS							
Non-current Assets							
(a) Property, Plant and Equipment		1,82,35,285	-	1,82,35,285	1,38,55,920	-	1,38,55,920
(b) Intangible assets		6,64,211	-	6,64,211	8,30,263	-	8,30,263

(c) Goodwill		47,32,264	-	47,32,264	47,32,264	-	47,32,264
(d) Financial Assets			-				
(i) Investments	A	5,22,97,116	1,21,34,284	6,44,31,400	7,36,60,068	44,72,988	7,81,33,056
(ii) Loans and Advances		3,99,71,914	-	3,99,71,914	3,83,75,428	-	3,83,75,428
(e) Other Non-Current Assets		15,84,748	-	15,84,748	23,08,200	-	23,08,200
Total Non-Current Assets		11,74,85,538	1,21,34,284	12,96,19,822	13,37,62,143	44,72,988	13,82,35,131
Current Assets							
(a) Financial Assets							
(i) Inventories		5,04,79,890	-	5,04,79,890	3,59,91,951	-	3,59,91,951
(ii) Trade Receivables		7,34,347	-	7,34,347	21,03,384	-	21,03,384
(iii) Cash and Cash Equivalents		4,16,42,892	-	4,16,42,892	3,57,84,093	-	3,57,84,093
(iv) Loans and Advances		14,18,462	-	14,18,462	17,54,159	-	17,54,159
Total Current Assets		9,42,75,591	-	9,42,75,591	7,56,33,587	-	7,56,33,587
Total Assets		21,17,61,130	1,21,34,285	22,38,95,414	20,93,95,731	44,72,988	21,38,68,720
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share capital		10,97,50,000	-	10,97,50,000	10,97,50,000	-	10,97,50,000
(b) Other Equity	A	5,14,84,992	90,13,868	6,04,98,859	4,51,90,631	33,22,728	4,85,13,358
Total equity		16,12,34,992	90,13,868	17,02,48,859	15,49,40,631	33,22,728	15,82,63,358
Non- Controlling Interest		3,42,13,916	31,20,416	3,73,34,332	3,38,18,963	11,50,260	3,49,69,223
Liabilities							
Non-Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		35,51,146	-	35,51,146	6,63,650		6,63,650
(b) Deferred Tax Liability		11,46,694	-	11,46,694	9,87,873	-	9,87,873
Total Non-Current liabilities		46,97,840	-	46,97,840	16,51,523	-	16,51,523
Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		-	-	-	93,25,545	-	93,25,545
(ii) Trade Payables		10,69,893	-	10,69,893	5,50,832	-	5,50,832
(b) Other Current liabilities		24,49,247	-	24,49,247	31,34,768	-	31,34,768

(c) Provisions		80,95,243		80,95,243	59,73,470	-	59,73,470
Total Current liabilities		1,16,14,383	-	1,16,14,383	1,89,84,615	-	1,89,84,615
Total Equity and Liabilities		21,17,61,130	1,21,34,284	22,38,95,413	20,93,95,731	44,72,988	21,38,68,720

(iii) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2016:

Sr. No	Particulars	Note reference	Previous GAAP	Effects of transition to Ind AS	Ind AS
I	Revenue From Operations (including excise duty)		12,44,06,599	-	12,44,06,599
II	Other Income		14,34,037	-	14,34,037
III	Total Income (I+II)		12,58,40,636	-	12,58,40,636
IV	EXPENSES				
	Purchase of Stock-in-trade		10,95,56,750	-	10,95,56,750
	Changes in Inventories of Finished goods, Stock-in-Trade and work-in-progress		(1,44,87,939)	-	(1,44,87,939)
	Employee benefits expense		73,34,106	-	73,34,106
	Finance costs		2,64,367	-	2,64,367
	Depreciation and amortization expense		12,85,418	-	12,85,418
	Other expenses		1,30,39,108	-	1,30,39,108
	Total expenses (IV)		11,69,91,810	-	11,69,91,810
V	Profit before tax (III-IV)		88,48,826	-	88,48,826
VI	Tax expense:				
	(1) Current tax		19,84,906	-	19,84,906
	(2) Deferred tax		1,59,171	-	1,59,171
	Total Tax expenses (VI)		21,44,077	-	21,44,077
VII	Profit for the year (V-VI)		67,04,749	-	67,04,749
VIII	Other Comprehensive Income				
	(i) Income tax relating to items that will not be reclassified to profit or loss				
	-Equity instruments through other comprehensive income	A	-	76,61,296	76,61,296
IX	Total other comprehensive income (i - ii)		-	76,61,296	76,61,296
X	Total comprehensive income for the year (VII+IX)		67,04,749	76,61,296	1,43,66,045
XI	Earnings per equity share:				
	Basic & Diluted (Face value ₹ 10 per equity share)		0.61	-	0.61

(iv) Reconciliation of total comprehensive income:

Particulars	Note	For the year ended 31 st March, 2016
Profit as per Previous GAAP		67,04,749
Ind AS Adjustments :		-
Net profit after tax as per Ind AS		67,04,749
Other Comprehensive Income	A	76,61,296
Total Comprehensive income as per Ind AS		1,43,66,045

(v) Reconciliation of Equity as at 1st April, 2015 and as at 31st March, 2016:

Particulars	Note	As at 31 st March, 2016	As at 1 st April, 2015
Total Shareholders' Funds as per Previous GAAP		16,12,34,992	15,49,40,631
Fair value measurement of investment in equity shares	A	90,13,868	33,22,728
Total Equity as per Ind AS		17,02,48,859	15,82,63,358

(vi) Notes to reconciliations:

A. Equity Investment at Fair value through other comprehensive income (FVTOCI):

Under previous GAAP, the Company accounted for non-current investments in equity shares of companies other than subsidiaries and joint ventures, at cost less any provision for diminution, other than temporary, in the value of such investments.

Under Ind AS, the Company has designated these investments at FVTOCI.

For Thakur Vaidyanath Aiyar & Co,
Chartered Accountants
Firm's Regn No. 000038N

Sd/-
C.V. Parameswar
Partner
Membership No.11541
Date: May 30, 2017
Place : Mumbai

For and on behalf of the Board of Directors

Sd/-
Shripal Shah
(Executive Director)
DIN: 01628855

Sd/-
Shreyas Shah
(Executive Director)
DIN: 01835575

Sd/-
Deepesh Jain
(Company Secretary)



ARYAMAN FINANCIAL SERVICES LIMITED

CIN: L74899DL1994PLC059009

Regd Office: 102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi - 110 005

Corporate Office: 60, Khatau Building, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001

Tel.: 022 – 6216 6999; **Fax:** 022 – 22630434

Website: www.afsl.co.in; **Email:** info@afsl.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

23rd Annual General Meeting – Monday, September 25, 2017

Name of the Member(s)	
Registered Address:	
Email-Id:	
Folio No./Client ID:	
DP ID:	

I/we, being the member (s) ofshares of the above named company, hereby appoint

1. Name..... Email:.....Address:.....
..... Signature:_____

or failing him/her

2. Name..... Email:.....Address:.....
..... Signature:_____ or

or failing him/her

3. Name..... Email:.....Address:.....
..... Signature:_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Monday, September 25, 2017 at 9.00 A.M. at 412, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi - 110 003 and at any adjournment thereof in respect such resolutions as are indicated below:

Resolut ion No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
1	Adoption of Audited Financial Statements of the company for the year ended March 31, 2017, the reports of the Board of Directors and auditors thereon and the audited consolidated financial statements of the company for the financial year ended March 31, 2017			
2	Appoint a director in place of Mr. Shreyas Shah, who retires by rotation and being eligible, seeks reappointment			
3	Appoint V. N. Purohit & Co., Chartered Accountants (Firm Registration No. 304040E), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the Twenty-Eighth AGM			

Signed this..... day of.....2017

.....
Signature of shareholder(s)

.....
Signature of Proxy holder(s)

Please
Affix ₹ 1
Revenue
Stamp

.....
Signature of Proxy holder(s)

.....
Signature of Proxy holder(s)

Notes:

1. *This form of proxy in order to be effective should be duly completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.*
2. *It is optional to indicate your preference. If you leave for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*
3. *The proxy need not be a member of the company. Appointing proxy does not prevent a member from attending in person if he so wishes.*
4. *In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*



ARYAMAN FINANCIAL SERVICES LIMITED

CIN: L74899DL1994PLC059009

Regd Office: 102, Ganga Chambers, 6A/1, W.E.A., Karol Bagh, New Delhi - 110 005

Corporate Office: 60, Khatau Building, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001

Tel.: 022 – 6216 6999; **Fax:** 022 – 22630434

Website: www.afsl.co.in; **Email:** info@afsl.co.in

ATTENDANCE SLIP

Registered Folio No./DP ID no./Client ID no.:	
DP ID - Client ID	
No. of Shares Held	

I hereby record my presence at at the 23rd Annual General Meeting of the Company, to be held on Monday, September 25, 2017 at 9.00 A.M. at 412, Indian Social Institute, 10, Institutional Area, Lodi Road, New Delhi - 110 003.

.....
Name of the member/proxy	Signature of the member/proxy
(in BLOCK Letters)	

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice for reference to the AGM.

BOOK POST

If undelivered please return to:

Aryaman Financial Services Limited
60, Khatau Building, Ground. Floor,
Opposite P. J. Tower (BSE building)
Alkesh Dinesh Modi Marg, Fort
Mumbai – 400 001.

Tel No: 022 6216 6999;
Fax No: 022 2263 0434