

INDEPENDENT AUDITOR'S REPORT

To The Members of IL&FS BROKING SERVICES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **IL&FS BROKING SERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

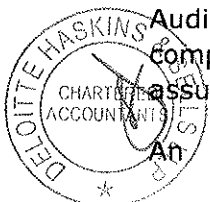
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting 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 provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the



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amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.
 - 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




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amended, 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.: 117366W/100018)



Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

MUMBAI, 16 May 2018
PG/SCR/AZ-2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There are no overdue amounts remaining outstanding as at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:



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- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Service Tax, Goods and Service Tax, Stamp Duty, Cess and other material statutory dues applicable to it to the appropriate authorities. According to the information and explanation given to us, excise duty, custom duty and employees' state insurance are not applicable to the Company.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31 March 2018 for a period of more than six months from the date they became except in case of stamp duty charges and Securities Transaction Tax where the dues are outstanding for more than six months amounting to Rs. 16,763 and Rs. 577 respectively.
- (c) There are no dues of Provident Fund, Income-tax, Service Tax, Goods and Service Tax and Cess, as on 31 March 2018 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected



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with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

- (xvi) The Company's financial assets constitute more than 50 per cent of the total assets and income from financial assets constitute more than 50 per cent of the gross income. The Company which fulfils both these criteria is required to be registered as Non-Banking Financial Company under section 45-IA of the Reserve Bank of India Act, 1934. Even though the Company has fulfilled both the aforementioned conditions, the Company has not obtained the certificate of registration as a Non-Banking Financial Company under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 177366W / W-100018)




Pallavi A. Gorakshakar
Partner
(Membership No.105035)

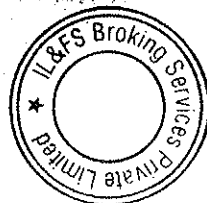
Mumbai, 16 May 2018
PG/SCR/AZ-2018

IL&FS BROKING SERVICES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Particulars		Note No.	As at	As at
			March 31, 2018	March 31, 2017
			₹	₹
A	EQUITY AND LIABILITIES			
(1)	Shareholders' funds			
	(a) Share capital	2	302,160,000	302,160,000
	(b) Reserves and surplus	3	(175,645,447)	(169,703,039)
			126,514,553	132,456,961
(2)	Non-current liabilities		-	-
(3)	Current liabilities			
	(a) Trade payables	4		
	(i) Dues to micro and small enterprises		-	-
	(ii) Dues to others		1,146,552	2,115,290
	(b) Other current liabilities	5	280,205	401,683
			1,426,757	2,516,973
	TOTAL		127,941,310	134,973,934
B	ASSETS			
(1)	Non-current assets			
	(a) Fixed assets	6		
	(i) Tangible assets		672,796	582,192
	(ii) Intangible assets		2,079	46,941
			674,875	629,133
	(b) Deferred Tax Assets (Net)	7	-	-
	(c) Long-term loans and advances	8	51,857,936	50,835,000
			52,532,811	51,464,133
(2)	Current assets			
	(a) Cash and cash equivalents	9	5,823,344	62,365,334
	(b) Short-term loans and advances	10	67,964,620	20,385,632
	(c) Other current assets	11	1,620,535	758,835
			75,408,499	83,509,801
	TOTAL		127,941,310	134,973,934
	See accompanying notes to the financial statements			


In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

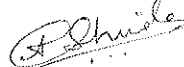

Pallavi A. Gorakshakar
Partner

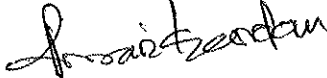


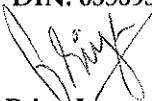
Place : Mumbai
Date : May 16, 2018

For and on behalf of the Board of Directors


Rajesh Kotian
Chairperson & Director
DIN: 02283475


Alankar Shinde
Chief Financial Officer

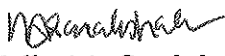

P Manikandan
Director
DIN: 03589334


Priya Iyer
Company Secretary

IL&FS BROKING SERVICES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	For the year ended March 31, 2018		For the year ended March 31, 2017	
			₹	₹	₹	₹
I.	Revenue from operations	12		-		28,511,965
II.	Other income	13		4,697,106		7,646,158
III.	Total revenue (I + II)			4,697,106		36,158,123
IV.	Expenses:					
	(a) Employee benefits expense	14	-		15,833,100	
	(b) Finance costs	15	-		3,546,354	
	(c) Depreciation and amortisation expense	6	312,480		502,495	
	(d) Other expenses	16	10,327,034		32,407,036	
	Total expenses			10,639,514		52,288,985
V.	Loss before tax (III- IV)			(5,942,408)		(16,130,862)
VI.	Tax expense:					
	Deferred tax expense	7		-		-
VII.	Loss for the year (V- VI)			(5,942,408)		(16,130,862)
VIII.	Earnings per equity share :-					
	Face value of ₹ 10/- each					
	Basic and diluted	20		(1.19)		(3.23)
	See accompanying notes to the financial statements					

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants


Pallavi A. Gorakshakar
Partner

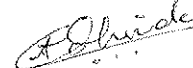
Place : Mumbai
Date : May 16, 2018

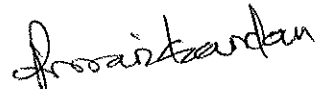


For and on behalf of the Board of Directors



Rajesh Kotian
Chairperson & Director
DIN: 02283475


Alankar Shinde
Chief Financial Officer



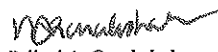
P Manikandan
Director
DIN: 03589334


Priya Iyer
Company Secretary

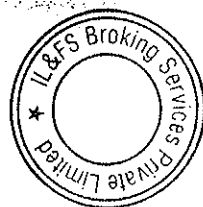
IL&FS BROKING SERVICES PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Loss before exceptional item and tax		(5,942,408)		(16,130,862)
Add / (Less) : Adjustments for				
Depreciation and amortisation expense	312,480		502,495	
Interest on short term borrowings	-		2,692,866	
Profit on sale of fixed assets	(3,500)		(96,254)	
Fixed Assets written off	41,778		-	
Interest income on fixed deposits	(1,645,015)		(6,754,216)	
Interest income on inter corporate deposits	(2,863,510)		(439,725)	
		(4,157,767)		(4,094,834)
Operating loss before working capital changes		(10,100,175)		(20,225,696)
Changes in working capital:				
Adjustment for increase/ (decrease) in operating assets	(1,892,558)		37,916,454	
Adjustment for decrease in operating liabilities	(1,090,216)		(74,942,225)	
Net changes in working capital		(2,982,774)		(37,025,771)
		(13,082,949)		(57,251,467)
Net income tax (paid) / refund		790,634		(1,150,210)
Net cash flow used in operating activities (A)		(12,292,315)		(58,401,677)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of fixed assets including capital advances		(400,000)		(342,393)
Proceeds from sale of fixed assets		3,500		411,434
Interest received on inter corporate deposits		1,664,692		43,972
Interest received from fixed deposits		1,982,133		7,799,820
Inter corporate deposits placed		(50,000,000)		(20,000,000)
Inter corporate deposits withdrawn		2,500,000		-
Net cash flow used in investing activities (B)		(44,249,675)		(12,087,167)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Receipt of short term borrowing		-		41,000,000
Repayment of short term borrowing		-		(50,000,000)
Changes in bank overdraft		-		(2,604,029)
Interest on short term borrowings		-		(2,692,866)
Net cash flow used in financing activities (C)		-		(14,296,895)
Net decrease in cash and cash equivalents (A+B+C)		(56,541,990)		(84,785,739)
Cash and cash equivalents at the beginning of the year		62,365,334		147,151,073
Cash and cash equivalents at the end of the year (Refer note no. 9)		5,823,344		62,365,334
Less : Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements				
- In deposit accounts (earmarked)		4,875,000		54,875,000
- In current accounts (earmarked)		-		22,964
- Other bank balances in deposit accounts		-		4,000,000
Net Cash and cash equivalents (Refer note no. 9)		948,344		3,467,370


In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

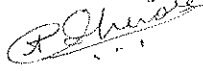

Pallavi A. Gorakshakar
Partner

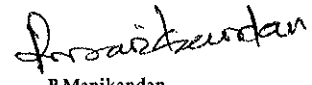
Place : Mumbai
Date : May 16, 2018



For and on behalf of the Board of Directors


Rajesh Kotian
Chairperson & Director
DIN: 02283475


Alankar Shinde
Chief Financial Officer


P Manikandan
Director
DIN: 03589334


Priya Iyer
Company Secretary

1. SIGNIFICANT ACCOUNTING POLICIES

1.00 COMPANY BACKGROUND

IL&FS Broking Services Private Ltd is incorporated in India as a private limited company and registered with Securities and Exchange Board of India (SEBI) as Stock Broker. The Company was engaged in institutional broking and advisory services upto FY 2016-17. During FY 2016-17, IL&FS Financial Services Limited has purchased 24% shareholding from Avendus Capital Private Ltd in IL&FS Broking Services Private Limited and hence IBSPL has become wholly owned subsidiary of IL&FS Financial Services Limited (IFIN).

The Company decided to surrender the stock broking licence in its extra ordinary general meeting held on February 27, 2017 and received letters from NSE & BSE regarding cancellation of membership on November 27, 2017 and on March 21, 2018 respectively. Further the Company has received letter from Securities & Exchange Board of India (SEBI) dated March 14, 2018 for cancellation of certificate of registration with BSE. The Company is exploring opportunities to provide advisory services in financing, restructuring, raising resources, distribution of financial products, referral services, arranging finance, placing of securities, etc. Considering the same the management of the Company has viewed the entity as a going concern and financial statements have been prepared under the going concern basis.

1.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENT

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non-current classification of assets and liabilities.

1.02 USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The management believes that the estimates used in preparation of the financial statement are prudent and reasonable. Differences between the actual results and estimates are recognised in the period in which the results are known/ materialise.

1.03 FIXED ASSETS

All Fixed Assets, whether tangible or intangible, are recorded at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed asset comprises its purchase price net of any trade discounts and rebates, taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

1.04 DEPRECIATION / AMORTISATION

Tangible Assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Mobile Phones, Tablets and Soft Furnishing which are depreciated in the year of capitalisation as the life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Assets costing ₹ 5,000 or less, are fully depreciated in the year of purchase

The residual value of all the assets is retained at ₹ 1/- each

Intangible Assets:

Computer software is amortised over estimated useful life i.e. a period of four years on Straight Line Method.

1.05 IMPAIRMENT OF ASSETS

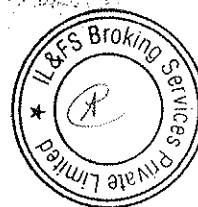
An asset is treated as impaired when the carrying amount of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impaired loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

1.06 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss. Guarantee commission paid for availing bank guarantees is expensed over the period of the guarantee.

1.07 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A Provision is recognised when the Company has present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.



IL&FS BROKING SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.08 REVENUE RECOGNITION

Brokerage, net of applicable tax and cess, is recognised as income on the trade date of the transactions. Brokerage and Commission fees are recognised as per the terms of arrangements entered into with individual parties.

Revenue comprises of fees received in respect of Consultancy/ management services rendered.

Revenue is recognised only when it is reasonably certain that the ultimate collection will be made.

1.09 OTHER INCOME

Interest income is accounted on accrual basis.

1.10 EMPLOYEE BENEFITS

Employee benefits include provident fund, gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost

Compensated Absences

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

1.11 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of occurrence of the transactions. Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the year-end rates. Any gains or losses on account of exchange difference either on settlement or translation are recognised in Statement of Profit and Loss.

1.12 OPERATING LEASES

Assets acquired on lease where significant portions of the risks and rewards incidental to ownership are effectively retained by the lessors are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the lease period.

1.13 TAXES ON INCOME

Income taxes are accounted for in accordance with Accounting Standard (AS-22) - "Accounting for taxes on income", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"), as applicable.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

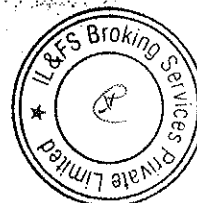
Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation.

1.14 CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.15 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/(loss) before extra-ordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information



IL&FS BROKING SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.16 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

1.17 SERVICE TAX / GST INPUT CREDIT

Service tax / GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

1.18 SEGMENT REPORT

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".



2 SHARE CAPITAL

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	₹	Number	₹
Authorised:				
Equity shares of ₹ 10/- each	15,000,000	150,000,000	15,000,000	150,000,000
Preference shares of ₹ 100/- each	2,525,000	252,500,000	2,525,000	252,500,000
		402,500,000		402,500,000
Issued, Subscribed and Paid up:				
Equity shares of ₹ 10/- each fully paid-up	5,000,000	50,000,000	5,000,000	50,000,000
Redeemable cumulative preference shares of ₹ 100/- each fully paid-up series B	2,252,000	225,200,000	2,252,000	225,200,000
Redeemable cumulative preference shares of ₹ 100/- each fully paid-up series C	269,600	26,960,000	269,600	26,960,000
Total		302,160,000		302,160,000

Notes:

(a) (i) Rights, preferences and restrictions attached to equity shares :

- Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.
- Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of the preferential amounts in proportion to their shareholdings.
- The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

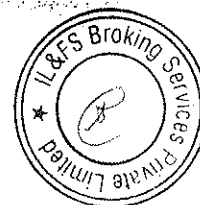
(ii) Rights, preferences and restrictions attached to preference shares :

A) Series 'B' preference shares

- i) Subject to the provisions of the Companies Act, Series B Shares will be redeemable on and from the date of expiry of 5 (five) years from September 30, 2013 (Closing Date). The Company shall redeem Series B Shares at par value.
- ii) Series B Shares shall have preference over the Equity Shares in all respects including dividends. The Series B Shares shall be entitled to a cumulative dividend of 0.01% per annum.
- iii) Neither IL&FS Financial Services Limited (IFIN) nor the Company, till expiry of five years from the Closing Date, decrease the tenor of the Series B Shares, increase the redemption premium/dividend rights of the Series B Shares or convert the Series B shares.

B) Series 'C' preference shares

- i) Subject to the provisions of the Companies Act, Series C Shares will be redeemable on and from the date of expiry of 5 (five) years from the Closing Date. The Company shall redeem Series C Shares at a premium of Rs. 165 (Rupees one hundred and sixty five only) per Series C Share.
- ii) Series C Shares shall have preference over the Equity Shares in all respects including dividends. The Series C Shares shall be entitled to a cumulative dividend of 0.01% per annum.



(b) (i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

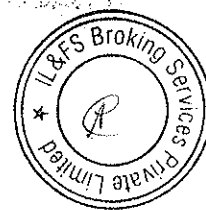
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	₹	Number	₹
Shares outstanding at the beginning and end of the year	5,000,000	50,000,000	5,000,000	50,000,000

(ii) Reconciliation of the number of redeemable cumulative preference shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2018				As at March 31, 2017			
	Series B		Series C		Series B		Series C	
	Number	₹	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning and end of the year	2,252,000	225,200,000	269,600	26,960,000	2,252,000	225,200,000	269,600	26,960,000

(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/ name of shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares:				
IL&FS Financial Services Limited (Holding Company) and its nominees	5,000,000	100%	5,000,000	100%
Redeemable cumulative preference shares series B:				
IL&FS Financial Services Limited (Holding Company)	2,252,000	100%	2,252,000	100%
Redeemable cumulative preference shares series C:				
IL&FS Financial Services Limited (Holding Company)	269,600	100%	269,600	100%



3 RESERVES AND SURPLUS

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
(a) Deficit in the statement of profit and loss		
Opening balance	(169,703,039)	(153,572,177)
Add: Loss for the year	(5,942,408)	(16,130,862)
Closing balance	(175,645,447)	(169,703,039)
Total	(175,645,447)	(169,703,039)

4 TRADE PAYABLES

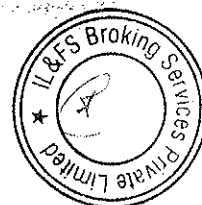
Particulars	As at	As at
	₹	₹
Dues to micro and small enterprises	-	-
Dues to others	1,146,552	2,115,290
Total	1,146,552	2,115,290

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
(i) Principal amount outstanding	-	-
(ii) Interest due on above and unpaid	-	-
(iii) Interest paid alongwith amount beyond appointed day	-	-
(iv) Interest due and payable for the period of delay	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest due and payable in succeeding year	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

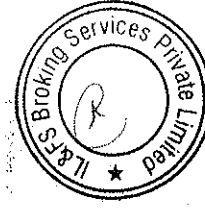
5 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
Statutory liabilities	280,205	401,683
Total	280,205	401,683



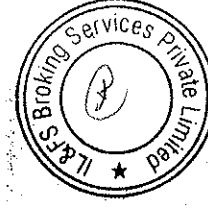
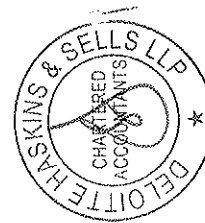
IL&FS BROKING SERVICES PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS
 6 FIXED ASSETS

Particulars	Gross Block (At Cost)				Accumulated Depreciation / Amortisation				Net Block	
	As at April 1, 2017	Additions during the year	Disposal during the year	As at March 31, 2018	Upto March 31, 2017	for the year	Disposal during the year	As at March 31, 2018	As at March 31, 2016	As at March 31, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Tangible Assets										
(i) Office equipment	1,297,284	-	125,720	1,171,564	1,050,211	126,199	125,720	1,050,690	120,874	247,073
(ii) Computers	4,932,829	400,000	-	5,332,829	4,668,012	133,856	-	4,801,868	530,961	264,817
(iii) Furniture & fixtures	75,668	-	46,716	28,952	5,366	7,563	4,938	7,991	20,961	70,302
Total	6,305,781	400,000	172,436	6,533,345	5,723,589	267,618	130,658	5,360,549	672,796	582,192
(b) Intangible Assets										
Software (acquired)	3,282,191	-	-	3,282,191	3,235,250	44,862	-	3,280,112	2,079	46,941
Total	3,282,191	-	-	3,282,191	3,235,250	44,862	-	3,280,112	2,079	46,941
Total - (a) + (b)	9,587,972	400,000	172,436	9,815,536	8,958,839	312,480	130,658	9,140,661	674,875	629,133



IL&FS BROKING SERVICES PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS
 6(a) FIXED ASSETS

Particulars	Gross Block (At Cost)				Accumulated Depreciation/ Amortisation				Net Block	
	As at April 1, 2016	Additions during the year	Disposal during the year	As at March 31, 2017	Upto March 31, 2016	For the year	Disposal during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Tangible Assets										
(i) Office equipment	1,483,481	-	186,197	1,297,284	1,064,948	131,740	146,477	1,050,211	247,073	418,533
(ii) Computers	9,136,489	292,984	4,496,644	4,932,829	8,574,706	314,490	4,221,184	4,668,012	264,817	561,783
(iii) Furniture & fixtures	26,260	49,408	-	75,668	50	5,316	-	5,366	70,302	26,210
Total	10,646,230	342,392	4,682,841	6,305,781	9,639,704	451,546	4,367,661	5,733,589	582,192	1,006,526
(b) Intangible Assets										
Software (acquired)	3,282,191	-	-	3,282,191	3,184,301	50,949	-	3,235,250	46,941	97,890
Total	3,282,191	-	-	3,282,191	3,184,301	50,949	-	3,235,250	46,941	97,890
Total - (a) + (b)	13,928,421	342,392	4,682,841	9,587,972	12,824,005	502,495	4,367,661	8,958,839	629,133	1,104,416



IL&FS BROKING SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7 DEFERRED TAX

Components of net deferred tax asset are as follows:

Particulars	As at	As at
	March 31, 2018	March 31, 2017
	₹	₹
Deferred tax liability on account of:		
Difference between book balance and tax balance of fixed assets	-	-
Deferred tax liabilities	-	-
Deferred tax assets on account of:		
Difference between book balance and tax balance of fixed assets	282,126	368,795
Provision for gratuity	-	-
Provision for compensated absences	-	-
Unabsorbed business loss	127,365,447	149,681,640
Unabsorbed depreciation	2,481,798	2,958,106
Deferred tax assets	130,129,371	153,008,541
Net deferred tax assets*	-	-

* Deferred tax assets are recognised to the extent of deferred tax liability in the absence of virtual certainty regarding sufficient future taxable income available to realise the assets

8 LONG-TERM LOANS AND ADVANCES

Particulars	As at	As at
	March 31, 2018	March 31, 2017
	₹	₹
Unsecured, considered good		
(a) Deposits		
- With stock exchanges, clearing house	22,125,000	22,125,000
- Others (Refer Note no. 19)	1,285,000	1,285,000
(b) Other loans and advances		
- Advance income tax	13,045,476	13,836,110
- GST input credit	15,402,460	13,588,890
Total	51,857,936	50,835,000



IL&FS BROKING SERVICES PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS
 9 CASH AND CASH EQUIVALENTS

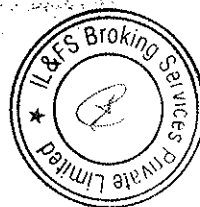
Cash and cash equivalents	As at	As at
	March 31, 2018	March 31, 2017
	₹	₹
Cash and Cash Equivalents		
- In current accounts	948,344	3,467,370
Other Bank Balances		
- In earmarked accounts		
- Fixed deposits under lien more than 3 months but less than 12 months	4,875,000	54,875,000
- In current account	-	22,964
- Fixed deposits more than 3 months but less than 12 months	-	4,000,000
(Balances held as margin money or security against borrowings, guarantees and other commitments with original maturity more than 12 months)		
(Residual maturity less than 12 months)		
Notes:		
(i) Balances with the bank include deposits amounting to Nil/- as at March 31, 2018 (Previous Year ₹ 40,000,000/-) under lien against Bank Guarantee.		
(ii) Balances with the bank include deposits amounting to Nil/- as at March 31, 2018 (Previous Year ₹ 10,000,000/-) under lien against Bank Overdraft.		
(iii) Balances with bank include deposits amounting to ₹ 4,875,000/ as at March 31, 2018 (Previous Year ₹ 4,875,000/-) under lien against base capital with BSE Ltd		
(iv) Balances with banks - Other earmarked accounts include Nil/- as at March 31, 2018 (Previous Year ₹ 22,964/-) which have restriction on repatriation.		
Total	5,823,344	62,365,334
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	948,344	3,467,370

10 SHORT-TERM LOAN AND ADVANCES

Particulars	As at	As at
	March 31, 2018	March 31, 2017
	₹	₹
Others (unsecured, considered good)		
Inter Corporate Deposit with Related Party (Refer Note no. 19)	67,500,000	20,000,000
Other advances	464,620	385,632
Total	67,964,620	20,385,632

11 OTHER CURRENT ASSETS

Particulars	As at	As at
	March 31, 2018	March 31, 2017
	₹	₹
Interest accrued on deposits with banks	25,964	363,082
Interest accrued on Inter Corporate Deposit (Refer Note no. 19)	1,594,571	395,753
Total	1,620,535	758,835



12 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹	₹
Sale of services - brokerage income (Refer Note no. 19)		
(a) Cash segment	-	3,776,579
(b) Futures & options segment	-	725,254
Other operating revenue		
(a) Fees from advisory services	-	24,010,132
Total	-	28,511,965

13 OTHER INCOME

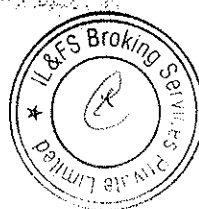
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹	₹
(a) Interest from		
-Banks on fixed deposits	1,645,015	6,754,216
-Inter corporate deposit (Refer Note no. 19)	2,863,510	439,725
-Income tax refund	88,310	49,901
-Interest Others (Refer Note no 19)	54,000	209,469
(b) Other non-operating income:		
- Excess provision written back	14,412	54,758
- Miscellaneous income (Refer Note no 18)	31,859	138,089
Total	4,697,106	7,646,158

14 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹	₹
(a) Salaries, allowances and incentives	-	14,983,031
(b) Contribution to provident and other funds	-	383,895
(c) Staff welfare expenses	-	466,174
Total	-	15,833,100

15 FINANCE COST

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹	₹
(a) Interest expense	-	2,692,866
(b) Other borrowing costs - bank guarantee charges	-	853,488
Total	-	3,546,354



IL&FS BROKING SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

16 OTHER EXPENSES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹	₹
Rent (Refer Note no. 19)	557,496	3,459,724
Rates and taxes	131,389	1,164,345
Insurance	139,020	284,404
Legal and professional charges	963,895	2,027,625
Payments to auditors	764,325	758,274
Electricity charges	14,277	165,526
Printing and stationery	3,632	47,973
Membership fees and subscription	766,028	11,579,560
Travelling and conveyance	10,774	124,657
Telephone, fax and postage	441,350	658,201
Repairs and maintenance - others	36,531	917,215
Business development	-	3,425
Software expenses (Refer Note no. 18)	366,225	3,155,520
Service charges (Refer Note no. 19)	5,698,107	5,220,219
Fixed Assets written off	41,778	-
Manpower expenses	77,077	144,339
General office expenses	45,597	521,454
Dealing error / trading error	-	5,059
Referral fees	-	1,508,948
Net loss on foreign currency transaction and translation	1,121	23,534
Miscellaneous expenses	268,412	637,034
Total	10,327,034	32,407,036
Note:		
Payments to auditors (net of GST input credit):		
For statutory audit	628,125	628,124
For tax audit	100,000	100,000
For other services	36,200	30,150
Total	764,325	758,274

17 COMMITMENTS

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
Arrears of dividend on redeemable cumulative preference shares.	113,507	88,291
Premium payable on redemption of series C preference shares at any time after the expiry of five years from September 30, 2013	44,484,000	44,484,000

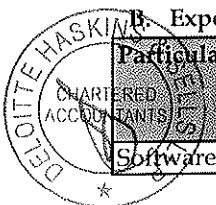
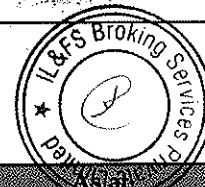
18 Additional information to the financial statements

A. Earnings in foreign currency

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
Fee for research report	26,819	10,132

B. Expenditure in foreign currency

Particulars	As at March 31, 2018	As at March 31, 2017
	₹	₹
Software expenses	73,702	1,422,058



IL&FS BROKING SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
19 RELATED PARTY TRANSACTIONS

(a) Names of related parties where there were transactions during the year :

Sr. No.	Name of the related party	Nature of Relationship
1	IL&FS Financial Services Limited	Holding company
2	Infrastructure Leasing & Financial Services Limited	Ultimate holding company
3	IL&FS Securities Services Limited	Fellow subsidiary
4	ISSL CPG BPO Private Limited	Fellow subsidiary
5	Livia India Limited	Fellow subsidiary
6	Mr. Sachin Shahane	Manager (upto 30 June 2016)
7	Mr. P Manikandan	Manager (w.e.f. 30 December 2016)

(b) Details of transactions with related party during the year:

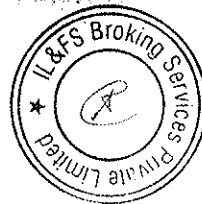
Name of the Party	Nature of Transaction	As at	As at March 31,
		March 31, 2018	2017
		₹	₹
IL&FS Financial Services Limited	Brokerage income	-	520,414
	Inter corporate deposit (ICD) placed	50,000,000	20,000,000
	Inter corporate deposit (ICD) withdrawn	2,500,000	
	Interest income on ICD	2,863,510	439,725
	Rent expenses	-	59,190
	Service charges	5,747,352	2,423,117
Infrastructure Leasing & Financial Services Limited	Service charges	-	360,000
	Rent expenses	556,800	3,442,511
	TMDR interest	54,000	125,048
IL&FS Securities Services Limited	Depository charges	69,029	79,777
	Institutional charges	-	80,068
	Deposits placed / (withdrawn)	-	(28,700,000)
	Professional fees	-	16,000
ISSL CPG BPO Private Limited	Service charges	-	2,298,448
Livia India Limited	Managerial remuneration	-	3,965,204

(c) Details of balance as at March 31, 2018:

Name of the Party	Nature of Transaction	As at	As at March 31,
		March 31, 2018	2017
		₹	₹
IL&FS Financial Services Limited	Trade payable	-	402,217
	Inter Corporate Deposits	67,500,000	20,000,000
	Interest Receivable on ICD	1,594,571	395,753
Infrastructure Leasing & Financial Services Limited	Short Term Loans & Advances	83,152	-
IL&FS Securities Services Limited	Deposits	1,200,000	1,200,000

Notes:

- There are no amounts written off or written back during the year for debts due from or to related parties
- Above items do not include reimbursement of expenses
- Service charges to IL&FS Financial Services Limited includes deputation cost of Mr. P. Manikandan amounting to ₹ 1,500,000/ (Previous Year ₹ 383,065/-)
- Details of Inter Corporate Deposit
 - During the year, the Company has placed Inter Corporate Deposits (ICD's) with IL&FS Financial Services Ltd. The period of ICD's is 1 year, placed on arm's length basis at prevailing market interest rate of 7.50%
 - The Outstanding balance of Inter Corporate Deposits as on March 31, 2018, with related parties is detailed in the table above



IL&FS BROKING SERVICES PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the earnings and numbers of shares as computed below:

(i) Reconciliation of earnings

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Loss for the year	(5,942,408)	(16,130,862)
Less: Dividend on redeemable cumulative preference shares	25,216	25,216
Net loss attributable to equity shareholders	(5,967,624)	(16,156,078)

(ii) Basic & diluted earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Loss for the year attributable to equity shareholders (₹)	(5,967,624)	(16,156,078)
(b) Weighted average number of shares outstanding during the year	5,000,000	5,000,000
(c) Nominal value of each share (₹)	10	10
(d) Basic/ diluted earnings per share (₹) (a/b)	(1.19)	(3.23)



IL&FS BROKING SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

21 (i) DISCLOSURE IN RESPECT OF GRATUITY LIABILITY

In accordance with the Payment of Gratuity Act, the Company provides for Gratuity, a defined benefit retirement plan covering all employees. The plan provides a lump sum payment to all employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Company subject to a maximum of ₹ 20,00,000/-

I. ASSUMPTIONS:	2017-18	2016-17			
Discount rate	-	-			
Salary escalation	-	-			
Attrition rate	-	-			
II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	2017-18	2016-17			
	₹	₹			
Present value of benefit obligation as at the beginning of the year	-	6,220,208			
Interest cost	-	-			
Current service cost	-	487,951			
Benefits paid	-	(6,708,159)			
Actuarial gains on obligations	-	-			
Present value of benefit obligation as at the end of the year	-	-			
III. ACTUARIAL GAINS/LOSSES:	2017-18	2016-17			
	₹	₹			
Actuarial gains on obligation for the year	-	-			
Actuarial gains on asset for the year	-	-			
Actuarial gains recognised in income & expenses statement	-	-			
IV. AMOUNT RECOGNISED IN THE BALANCE SHEET:	2017-18	2016-17			
	₹	₹			
Fair value of plan assets at the end of the year	-	-			
Present value of benefit obligation as at the end of the year	-	-			
Net liability recognised in the balance sheet	-	-			
V. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:	2017-18	2016-17			
	₹	₹			
Current service cost	-	487,951			
Interest cost	-	-			
Actuarial (gains)/losses	-	-			
Expense recognised in the statement of profit and loss	-	487,951			
VI. BALANCE SHEET RECONCILIATION:	2017-18	2016-17			
	₹	₹			
Opening net liability	-	6,220,208			
Expenses as above	-	487,951			
Benefit paid directly by the employer	-	(6,708,159)			
Net Liability recognised in the balance sheet	-	-			
VII. EXPERIENCE ADJUSTMENT:	2017-18	2016-17	2015-16	2014-15	2013-14
	₹	₹	₹	₹	₹
On plan liability (gains)/losses	-	-	833,634	(725,972)	(16,482)
On plan assets (gains)/losses	-	-	-	-	-

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

As there are no employees as at March 31, 2018, no liability has been provided for

(ii) DEFINED CONTRIBUTION PLAN

EMPLOYEES BENEFITS EXPENSES INCLUDES:	2017-18	2016-17
	₹	₹
Employer contribution to provident fund	-	350,219

(iii) The Company has accrued the liability for compensated absences based on actuarial valuation as at balance sheet date conducted by an independent actuary and provided for actuarial liability of ₹ Nil/- (Previous Year ₹ Nil)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

22 SEGMENT REPORTING

For the purpose of reporting under Accounting Standard (AS 17) "Segment Reporting", specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014

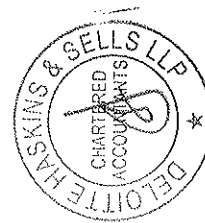
a) Information on primary business segment is as follows:-

Reportable segments *	Broking in securities		Advisory services		Unallocated		Total	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue								
(a) External revenue	-	4,501,833	-	24,010,132	-	-	-	28,511,965
(b) Inter segment revenue	-	-	-	-	-	-	-	-
(c) Total revenue	-	4,501,833	-	24,010,132	-	-	-	28,511,965
Segment results (loss) / profit								
Segment results (loss) / profit	(10,639,514)	(44,569,234)	-	20,792,214	-	-	(10,639,514)	(23,777,020)
Other income	3,132,272	7,206,433	1,476,524	439,725	88,310	-	4,697,106	7,646,158
(Loss) / profit before tax	(7,507,242)	(37,362,801)	-	21,231,939	88,310	-	(5,942,408)	(16,130,862)
Tax expense	-	-	-	-	-	-	-	-
(Loss) / profit after tax	(7,507,242)	(37,362,801)	-	21,231,939	88,310	-	(5,942,408)	(16,130,862)
Other information								
Segment assets	97,011,074	100,742,071	17,884,760	20,395,753	13,045,476	13,836,110	127,941,310	134,973,934
Segment liabilities	1,126,757	1,973,223	300,000	543,750	-	-	1,426,757	2,516,973
Capital Expenditure	400,000	342,393	-	-	-	-	400,000	342,393
Depreciation	312,480	502,495	-	-	-	-	312,480	502,495

a) Revenue has been identified to a segment on the basis of relationship to operating activities of the segment. Revenue which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocated".

b) The Company does not have a secondary segment. Accordingly, disclosures required under AS 17 are not applicable.

c) In computing the above information certain assumptions and estimates have been made by the management which have been relied upon by the auditors.



IL&FS BROKING SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

23 OPERATING LEASE

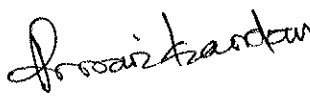
The Company holds a premises under a non-cancellable operating lease. The Company's future lease rentals under the operating lease arrangement as at the year end are as under:

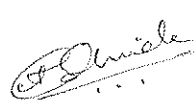
Future lease rentals	For the year ended March 31, 2018	For the year ended March 31, 2017
Within one year	-	-
Over one year but less than 5	-	-
Amount charged for the statement of profit and loss for rent	556,800	3,459,724

24 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


Rajesh Kotian
Chairperson & Director
DIN: 02283475


P Manikandan
Director
DIN: 03589334


Alankar Shinde
Chief Financial Officer


Priya Iyer
Company Secretary

Place: Mumbai
Date : May 16, 2018

