



Corporate Information

Board of Directors	Mr. Govind Prasad Agrawal - Non-Executive Chairman Mr. Ashok Kumar Gupta - Managing Director Ms. Ashu Gupta - Non-Executive Director Mr. Ajay Kumar - Non-Executive & Independent Director Mr. Chand Krishna Tikku - Non-Executive & Independent Director Mr. Shyam Sunder Lal Gupta - Non-Executive & Independent Director
Auditors	M/s Mohan Gupta & Company Chartered Accountants B-2-A/37, Shivaji Marg, B2A Block, Janakpuri, New Delhi, Delhi- 110058
Company Secretary & Compliance Officer	Mr. Sagar Gupta
Bankers	HDFC Bank Ltd. AXIS Bank Ltd.
Registrar & Share	Beetal Financial & Computer Services Pvt. Ltd. "Beetal House" 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110 062 Phones: 011-29961281, 29961282, Fax: 011-29961280/84 E-mail: beetalrta@gmail.com , Website: www.beetalfinancial.com
Registered Office	F-33/3, Okhla Industrial Area, Phase-II, New Delhi-110 020

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Directors' Report

To the Members,

The Board of Directors of your Company have pleasure in presenting the 26th Annual Report of Avonmore Capital & Management Services Limited alongwith the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2018.

FINANCIAL SUMMARY / HIGHLIGHTS

The standalone and consolidated financial highlights of your Company are as follows:

(Rs. in Lakh)

Particulars	2017-18		2016-17	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	2,710.54	10,333.20	691.69	6129.09
Total expenditure	84.26	7,235.06	70.40	5,596.79
Profit before Tax	2,626.22	3,098.18	621.29	528.82
Tax expenses	558.46	576.39	0.66	8.93
Profit after Tax	2,067.76	2,521.80	620.62	519.88
Profit available for appropriation	1654.21	2030.34	496.50	481.65

STANDALONE & CONSOLIDATED FINANCIALS

Total revenues for the financial year ended March 31, 2018 amounted to Rs. 2,710.54 Lakhs as compared to Rs. 691.69 Lakhs in the previous financial year. As per the Consolidated Accounts, the total revenues are Rs. 10333.20 Lakhs, as against the previous financial year's revenue of Rs. 6129.09 Lakhs. Net Profit for the financial year 2017-18 is amounted to Rs. 2,067.76 Lakhs as against Rs.620.62 Lakhs in the previous financial year. As per the Consolidated Accounts, the net profit for the financial year 2017-18 is Rs. 2521.80 Lakhs as against the profit of Rs. 519.88 Lakhs in the previous financial year.

DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares of the Company for the current financial year due to conservation of Profits for the future aspects.

RESERVES

Our Company has in accordance with the provisions of Section 45-IC of the Reserve Bank of India (RBI) Act, 1934, created a Reserve Fund and during the year under review the Company has transferred an amount of Rs. 413.55 Lakhs out of the profits of the year to the said Reserve Fund.

The Company proposes the total amount of Rs. 1654.21 Lakhs available for appropriation to be retained in the profit and loss account.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015 and Section 129(3) of the Companies Act, 2013, your Company has prepared Consolidated Financial Statements as per the Accounting Standards applicable to the Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. Audited Consolidated Financial Statements along with the Auditors' Report are annexed with this Report. The said Financial Statements are also available on the website of the Company at www.avonmorecapital.in.

CASH FLOW STATEMENT

In conformity with the provisions of Listing Regulations, the Cash Flow Statement for the year ended March 31, 2018 is annexed hereto.

INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

Your Company has acquired 51% stake in 'TRP Social Consultants Private Limited' and it has become a subsidiary of Avonmore Capital & Management Services Limited w.e.f. June 15, 2018.

There are no other material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2018 and August 13, 2018, being the date of this report.

RBI GUIDELINES

The Company is registered with the Reserve Bank of India as a NBFC within the provisions of the NBFC (Reserve Bank of India) Directions, 1998. The Company continues to comply with all the requirements prescribed by the Reserve Bank of India as applicable to it.

SHARE CAPITAL

During the year under review, the Company has not issued shares or increased its Share Capital.

PUBLIC DEPOSITS

Your Company had neither accepted any Public Deposits during the year nor does the Company have any plan to accept any deposits from the public.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2018, your Company has the following entities as its subsidiaries and Associates:

- a. Almondz Infosystem Private Limited.
- b. Almondz Global Securities Limited.
- c. Latitude 23 Communications Limited.
- d. Red Solutions Private Limited.
- e. Apricot Infosoft Private Limited.
- f. Avonmore Developers Private Limited.
- g. Anemone Holdings Private Limited.
- h. Glow Apparels Private Limited.
- i. Shivsathi Niketan Limited.
- j. Yug Infrastructures Private Limited. (Associate through subsidiary)
- k. Carya Chemicals & Fertilizers Private Limited. (Associate through subsidiary)
- l. Willis Towers Watson India Insurance Brokers Private Limited (formerly known as Almondz Insurance Brokers Private Limited.) (Associate through subsidiary)

During the year under review, Willis Towers Watson India Insurance Brokers Private Limited (formerly known as Almondz Insurance Brokers

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Private Limited ceased to be subsidiary of Avonmore Capital & Management Services Limited and became the Associate Company of one of our wholly-owned subsidiaries namely Anemone Holdings Private Limited w.e.f. 06.07.2017.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a Company's Subsidiary or Subsidiaries, Associate Company or Companies in the prescribed format AOC-1 which form part of the Annual Report as **Annexure-I**.

The financial statement of each of the subsidiaries is put on the Company's website and may be accessed at: www.avonmorecapital.in. These documents will also be available for inspection on all working days, during business hours, at the Registered Office of the Company.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

- In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Govind Prasad Agarwal is liable to retire by rotation at the ensuing Annual General Meeting of your Company and being eligible have offered himself for his re-appointment. Your Board of Directors on the recommendations of Nomination & Remuneration Committee has recommended his re-appointment.
- Pursuant to sub-section (6) of Section 149 of the Companies Act, 2013, a declaration by Independent Director(s), that they meet the criteria of Independence as provided in Section 149 (6) of the Companies Act, 2013 is received and taken on record.

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.

Key Managerial Personnel

- Mr. Ashok Kumar Gupta: Managing Director.
- Mr. Sagar Gupta: Company Secretary and Compliance Officer.
- Mr. Swapan Guha: Chief Financial Officer.

MEETINGS OF THE BOARD

During the financial year 2017-18, 8 (Eight) meetings of the Board of Directors were held. For further details, please refer report on Corporate Governance forming part of the Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises of three Independent Directors and one Non-Executive Director viz., Mr. Ajay Kumar (Chairman), Mr. Govind Prasad Agrawal, Mr. Shyam Sunder Lal Gupta and Mr. Chand Krishan Tikku as other members.

All the recommendations made by the Audit Committee were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

LISTING

The Company is listed with Bombay Stock Exchange Ltd.

The shares of the Company were listed on Delhi Stock Exchange Ltd. (DSE), DSE House, 3/1, Asaf Ali Road, New Delhi 110002. However, SEBI vide its order No.WTM/PS/45/MRD/DSA/NOV/2014 dated 19 November 2014 withdrew the recognition granted to the said stock exchange.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

At the Annual General Meeting held on September 28, 2017, M/s Mohan Gupta & Company, Chartered Accountants (Firm Registration No. 006519N), was appointed as the statutory auditors of the Company, in place of retiring auditors M/s H. K. Chhabra & Co., Chartered Accountants for a term of five (5) years from the conclusion of the 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting held during their tenure of appointment, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee from time to time.

Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 26th AGM to be held on September 27, 2018.

Further, the report of the Statutory Auditors alongwith notes to Schedules for the year ended March 31, 2018 is enclosed to this report. The Auditors' Report is self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS

The Board had appointed **M/s C. B. Mishra & Associates**, Company Secretaries in Wholtime Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18.

The Secretarial Audit report in the prescribed Form No. MR-3 is annexed as **Annexure-II**.

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There are no qualifications, reservations or adverse remarks or disclaimers made by **M/s C. B. Mishra & Associates**, Practicing Company Secretaries in their audit report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to your company as it is not a manufacturing Company.

However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. There was no foreign exchange inflow or Outflow during the year under review.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 are provided in **Annexure -III**.

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, no employee have drawn remuneration in excess of the limits set out in the said rules.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent in the industry. The report on Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Practicing Chartered Accountant confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

GROUP COMING WITHIN THE DEFINITION OF GROUPS DEFINED IN THE MONOPOLIES AND RESTRICTIVE TRADE PRACTICES ACT, 1969 (54 OF 1969)

The following persons constitute the Group coming within the definition of group as defined in the Monopolies and Restrictive Practices Act, 1969 (54 of 1969):

Mr. Navjeet Singh Sobti
Ms. Gurpreet N. S. Sobti
Innovative Money Matters Pvt. Ltd.
Almondz Global Securities Ltd.
Rakam Infrastructures Pvt. Ltd.

Or any other Company, firm or trust promoted or controlled by the above. The above disclosure has been made; inter alia, for the purpose of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

EXTRACTS OF ANNUAL RETURN

An extracts of Annual Return as prescribed under Section 92 (3) of the Companies Act, 2013 ('the Act') and rule 12 (1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT-9 is annexed as **Annexure-IV**.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts /arrangements / transactions entered by the Company with related parties during the financial year, were in ordinary course of business and on arm's length basis.

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

During the year 2017-18, pursuant to Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all RPTs were placed before Audit Committee for its prior/ omnibus approval. The Policy on RPTs as approved by Board was uploaded on the Company's website.

Further details of Related Party transactions as required to be disclosed by Accounting Standard on "Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

A Risk Management Policy for the Company has been adopted by the Board. The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed through appropriate structures that are in place at your Company, including suitable reporting mechanisms.

POLICY ON INSIDER TRADING

Your Company formulated and implemented a Code of Conduct for Prevention of Insider Trading (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Company has adopted code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in terms of new Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Board of Directors appointed the Company Secretary, as the Compliance Officer under the said Code responsible for complying with the procedures, monitoring adherence to the Code for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board of Directors. The Code of Conduct is available on your Company's website www.avonmorecapital.in.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: http://www.avonmorecapital.in/pdf/CSR_2017.pdf.

The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation.

The Company has, inter-alia, identified following areas in which it may engage for its CSR activities:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.

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2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
6. Measures for the benefit of armed forces veterans, war widows and their dependants.
7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
10. Rural development projects.
11. Such other matters as may be prescribed under applicable statute;
12. Such other activity / social cause as may be thought fit by the CSR Committee and approved by the Board.

During the year under review, the Company has spent Rs. 4.80 lakhs on CSR activities. The Annual Report on CSR activities is annexed herewith marked as **Annexure-V**.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans given, Investments made, guarantees given and securities provided to other Bodies Corporate or persons as covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there are no significant or material orders passed by any regulator, court or tribunal impacting the going concern status and Company's operations in future.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2017, the Board has carried out an annual performance evaluation of its own performance, the individual Director's performance including Chairman and Independent Directors as well as an evaluation of the working of all Board Committees.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report. In compliance with

the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors held a meeting on May 30, 2018 and:

- Reviewed the performance of Non-Independent Directors and the Board as a whole.
- Reviewed the performance of the Chairperson of the Company.
- Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

Necessary implementations of their suggestions have been initiated.

HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177 (9) & (10) of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015 Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances, actual or suspected fraud or violation of the Codes of Conduct or policy. The said mechanism encompasses the Whistle Blower Policy and provides for adequate safeguards against victimization of persons who use such mechanism. It also provides direct access to the Chairman of the Audit Committee. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.avonmorecapital.in under whistle blower Policy link.

INTERNAL CONTROL SYSTEMS

ACMS's internal control systems are designed to ensure operational efficiency, accuracy and promptness in financial reporting and compliance with Laws and Regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls. ACMS's internal control system is commensurate with its size, nature and operations.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors have adopted a Policy on Directors appointment and remuneration, including the criteria for determining qualification, positive attributes and independence of a Director and other matters. The Remuneration policy for directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration policy aims to ensure that the level and composition of the remuneration of Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed

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thereunder. The company did not receive any complaints to report in the Board's report.

MAINTANANCE OF COST RECORDS

During the period under review, the provision of section 148 of the Companies Act, 2013 relating to maintenance of cost records does not applicable to the Company.

DISCLOSURE

As per the SEBI (LODR) Regulations, corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report. Details of the familiarization programme of the Independent Directors are available on the website of the Company (www.avonmorecapital.in). Policy for determining material subsidiaries of the Company is available on the website of the Company (www.avonmorecapital.in). Policy on dealing with related party transactions is available on the website of the Company (www.avonmorecapital.in). The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine

concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Companies Act and the SEBI (LODR) Regulations.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. The Board of Directors also wish to place on record their appreciation for the commitment displayed by all the employees for their commitment, commendable efforts, team work and professionalism, in the performance of the Company during the year.

For and on behalf of the Board of Directors
For Avonmore Capital & Management Services Limited

New Delhi August 13, 2018	Ashok Kumar Gupta Managing Director DIN: 02590928	Govind Prasad Agrawal Director DIN: 00008429
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Form AOC-I

(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 financials statement of Subsidiaries / Associates Companies/ / joint ventures

Part A: "Subsidiaries"

(Amount in Indian Rupees)

S. No.	1	2	3	4	5	6	7	8
Name of the subsidiary	Almondz Infosystem Private Limited	Latitude 23 Communications Limited	Red Solutions Private Limited	Almondz Global Securities Limited	Avonmore Developers Private Limited	Glow Apparels Private Limited	Apricot Infosoft Private Limited	Anemone Holdings Private Limited
Date since when Subsidiary was acquired	31.12.2012	31.03.2014	17.07.2015	01.04.2015	23.07.2014	23.02.2015	10.06.2014	21.02.2015
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company
Share capital	500,000	1,849,000	99,500,000	155,309,802	85,000,000	27,750,000	30,000,000	100,000
Reserve & surplus	15645	(1584210)	(1620388)	1099100930	(1,167,444)	(660,963)	(500,694)	(52,891)
Total assets	520,145	270,291	207,338,995	1,614,090,606	83,853,056	27,099,037	39,722,525	317,234,552
Total Liabilities	4,500	5,500	109,459,383	556,856,330	20,500	10,000	10,223,219	317,187,443
Investments	-	-	-	689,678,570	83,665,280	26,892,330	29,500,000	317,175,443
Turnover	30,121	-	51,534	399,653,919	25,000	12,500	217,918	-
Profit before taxation	10,878	(12,538)	(1,322)	21,985,369	(39,348)	(10,704)	(22,044)	(7,886)
Provision for taxation	1,282	-	6,795	(1,201,069)	-	-	-	-
Profit after taxation	9,596	(12,538)	(8,117)	23,186,438	(39,348)	(10,704)	(22,044)	(7,886)
Proposed Dividend	-	-	-	-	-	-	-	-
% of Shareholding	100	100	100	56.87	100	100	100	100

Note: 1 Name of Subsidiaries which are yet to commence operation: NIL

Note: 2 Names of subsidiaries which have been liquidated or sold during the year: Willis Towers Watson India Insurance Brokers Private Limited (formerly known as Almondz Insurance Brokers Private Limited) w.e.f. 06.07.2017.

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associates Companies and Joint Ventures
Part B: "Associate and Joint Ventures"**

(Amount in Indian Rupees)

S. No.	1	2	3
Name of Associate	Yug infrastructures Pvt. Ltd.	Carya Chemicals Pvt. Ltd.	Willis Towers Watson India Insurance Brokers Private Limited
Latest audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018
Date on which the Associate was associated or acquired	21.11.2014	27.08.2015	06.07.2017
Shares of Associates held by the company on the year end (Nos.)	15,00,000	29,50,000	7,02,000
Amount of investment in Associates	1,50,00,000	2,95,00,000	31,71,75,443
Extend of Holding (%)	50	29.05	26
Description of Significant influence	Indirect Holding	Indirect Holding	Indirect Holding
Reason for no consolidation of associates	NA	NA	NA
Networth attributable to Shareholding as per latest audited Balance Sheet	15,789,737	29,892,497	145,875,838
Profit / Loss for the year			
i. Considered in Consolidation (%)	107,129	Nil	7,074,584
ii. Not Considered in Consolidation	107,129	Nil	43,532,737

Note: 1 Names of Associates which have been liquidated or sold during the year: NIL

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

Sagar Gupta
Company Secretary
ACS: A42611

Swapan Guha
Chief Financial Officer
PAN: AFFPG3618G

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Govind Prasad Agrawal
Director
DIN: 00008429

Place: New Delhi
Date: May 30 2018

FORM NO. MR - 3
Secretarial Audit Report

For The Financial Year Ended March 31, 2018

*[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,
Avonmore Capital & Management Services Limited,
Regd. Office: F-33/3, Okhla Industrial Area, Phase-II,
New Delhi-110 020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avonmore Capital & Management 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, the information provided by the Company, its officers, agents and authorised representatives, during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the engagement, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made thereunder (Not applicable to the Company during the audit period);
- (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time. (Not applicable to the Company during the audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (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 Act and dealing with client. (Not applicable to the Company during the audit period);
 - (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 and amendments from time to time. (Not applicable to the Company during the audit period).
- (vi) Other laws specifically applicable to the Company, namely:
 - (a) All the Rules, Regulations, Directions, Guidelines and Circulars issued by the Reserve Bank of India applicable to Non-Deposit Accepting Non-Banking Financial Companies which are specifically applicable to the Company
 - (b) The Prevention of Money-Laundering Act, 2002 and The Prevention of Money Laundering (Maintenance of Records, etc) Rules, 2005
 - (c) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

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

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India' with respect to board and general meetings.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned herein above.

We 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. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance for Meetings other than those held at shorter notice, 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 decision is carried through while the dissenting Members' views, if any, were captured and recorded as part of the Minutes of the Meetings.

We 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.

We further report that during the audit period, a subsidiary i.e. 'Willis Towers Watson India Insurance Brokers Private Limited' (earlier Almondz Insurance Brokers Private Limited) ceased to be subsidiary of the Company.

**For C.B. Mishra & Associates
Company Secretaries**

Place: New Delhi
Date: August 13, 2018

(C.B. MISHRA)
Prop.
M. No. F-4006, C.P. No. 7254

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

Annexure - A

To,
The Members,
Avonmore Capital & Management Services Limited,
Regd. Office: F-33/3, Okhla Industrial Area, Phase-II,
New Delhi-110 020

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. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company, as the same has been done by the statutory Auditor of the company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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 C.B. Mishra & Associates
Company Secretaries**

Place : New Delhi
Date : August 13, 2018

(C.B. MISHRA)
Prop.
M. No. F-4006, C.P. No. 7254

THE INFORMATION REQUIRED UNDER SUB-SECTION 12 OF SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

a. **The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year:**

Executive Directors	Ratio to median remuneration
Mr. Ashok Kumar Gupta	5.23 times

b. **The percentage increase in remuneration of Executive director, chief financial officer & company secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	Designation	% increase in remuneration in the financial year
Mr. Ashok Kumar Gupta	Managing Director	11.31 %
Mr. Sagar Gupta	Company Secretary	30.00%
Mr. Swapan Guha	Chief Financial Officer	14.55%

c. **The percentage increase in the median remuneration of employees in the financial year:** 30%

d. **The number of permanent employees on the rolls of Company:** 3

e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile of the salaries of employees other than the managerial personnel in the last financial year, i.e., 2017-18 was increased by 22.27% whereas for the managerial remuneration for the same financial year increased was 11.31%.

f. **The key parameters for any variable component of remuneration availed by the directors:**

The broad factors and guidelines considered for the variable remuneration availed by the directors:

- (a) Annual Performance Review of the Directors; and
- (b) Financial outcomes and profitability of the Company and the group

g. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2018

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:

1.	CIN	L67190DL1991PLC045857
2.	Registration Date	September 30, 1991
3.	Name of the Company	Avonmore Capital & Management Services Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	F-33/3, Okhla Industrial Area, Phase-II, New Delhi-110020 Tel: +91 11 43500700, E-mail: secretarial@almondz.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Beetal Financial & Computer Services (P) Limited "Beetal House", 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110062 Tel: +91 11 29961 281-82, Fax: 011-29961280/84 E-mail: beetalrta@gmail.com Website: www.beetalfinancial.com

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):-

Sl. No.	Name and Description of main products services	NIC Code of the Product/Service	% to total turnover of the Company
1	Investment Income	66190	93.01
2	Financing Activity	649	6.99

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Almondz Infosystem Private Limited	U72200DL2012PTC246813	Subsidiary	100	2(87)
2.	Almondz Global Securities Limited	L74899DL1994PLC059839	Subsidiary	56.87	2(87)
3.	Latitude 23 Communications Limited	U72900DL2005PLC141221	Subsidiary	100	2(87)
4.	Red Solutions Private Limited	U74999DL2012PTC240027	Subsidiary	100	2(87)
5.	Apricot Infosoft Private Limited	U72900DL2014PTC266689	Subsidiary	100	2(87)
6.	Avonmore Developers Private Limited	U70200DL2013PTC253548	Subsidiary	100	2(87)
7.	Anemone Holdings Private Limited	U67190DL2014PTC268993	Subsidiary	100	2(87)
8.	Glow Apparels Private Limited	U18109DL2012PTC230469	Subsidiary	100	2(87)
9.	Shivsathi Niketan Limited	U74900WB2013PLC191733	Subsidiary	52	2(87)
10.	Yug Infrastructures Private Limited (50% shares held by Avonmore Developers Private Limited)	U70102DL2013PTC257417	Associate (through subsidiary)	-	2(6)
11.	Carya Chemicals & Fertilizers Private Limited (29.05% shares held by Apricot Infosoft Private Limited)	U24297DL2013PTC252503	Associate (through subsidiary)	-	2(6)
12.	Willis Towers Watson India Insurance Brokers Private Limited (formerly known as Almondz Insurance Brokers Private Limited. (26% shares held by Anemone Holdings Private Limited)	U74999DL2003PTC119593	Associate (through subsidiary)	-	2(6)

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1472247	0	1472247	6.07	2081315	0	2081315	8.58	2.51
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	9233202	0	9233202	38.04	9780457	0	9780457	40.30	2.26
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1)	10705449	0	10705449	44.11	11861772	0	11861772	48.88	4.77
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A) (1)+(A) (2)	10705449	0	10705449	44.11	11861772	0	11861772	48.88	4.77
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	2600	2600	0.01	0	2600	2600	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	2600	2600	0.01	0	2600	2600	0.01	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	9817198	6901	9824099	40.47	7087542	6901	7094443	29.23	(11.24)
ii) Overseas	0	0	0	0	0	0	0	0	0

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals -									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	678417	170945	849362	3.50	2574517	165909	2740426	11.29	7.79
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2290838	21600	2312438	9.53	2105527	21600	2127127	8.76	0.77
c) Others (specify)									
i) Non Resident Indians	398342	47500	445842	1.84	225455	47500	272955	1.12	(0.72)
ii) HUF	127932	0	127932	0.53	134531	0	134531	0.55	0.02
iii) Clearing Members	3178	0	3178	0.01	37046	0	37046	0.15	0.14
Sub-total (B)(2)	13315905	246946	13562851	55.88	12164618	244510	12409128	51.13	(4.35)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	13315905	249546	13565451	55.89	12164618	244510	12409128	51.13	(4.76)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	24021354	249546	24270900	100	24026390	244510	24270900	100	0

ii) Shareholding of Promoters (including Promoter Group):

Sl. No.	Shareholder 's Name	Shareholding at the beginning of the year [As on March 31, 2017]			Share holding at the end of the year [As on March 31, 2018]			% 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.	Innovative Money Matters Private Limited	86,96,480	35.83	0	90,53,010	37.30	0	1.47
2.	Gurpreet N.S. Sobti*	5000*	0.02	0	5,000*	0.02	0	0
3.	Navjeet Singh Sobti	14,67,247	6.05	0	20,76,315	8.56	0	2.51
4.	Rakam Infrastructures Pvt. Ltd.**	5,36,722	2.21	0	7,27,447	3.00	0	0.79

* Gurpreet N.S. Sobti who is holding 5,000 shares is not a promoter. Since she is wife of Mr. Navjeet Singh Sobti (Promoter), therefore included in promoter group.** Rakam Infrastructures Pvt. Ltd. has been included in the promoter list.(Gurpreet Sobti has *Indirectly Acquired 61.39% of Rakam Infrastructures Private Limited* which holds 7,27,447 shares equivalent to 3.00% shares of the ACMS.)

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

iii) Change in Promoter's (including promoter group) Shareholding:

Sl. No.	Name	Shareholding at the beginning of the year April 01, 2017		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
1.	Innovative Money Matters Private Limited	86,96,480	35.83	01-04-2017	N.A.	N.A.	86,96,480	35.83
				20-04-2017	75000	Acquisition	87,71,480	36.14
				13-06-2017	13000	Acquisition	87,84,480	36.19
				19-06-2017	93865	Acquisition	88,78,345	36.58
				20-06-2017	69500	Acquisition	89,47,845	36.87
				21-06-2017	105165	Acquisition	90,53,010	37.30
		86,96,480	35.83	31-03-2018	N.A.	N.A.	90,53,010	37.30
2.	Gurpreet N.S. Sobti	5000	0.0206	01-04-2017	N.A.	N.A.	5,000	0.0206
						NIL Movement during the year		
		5000	0.0206	31-03-2018	N.A.	N.A.	5,000	0.0206
3.	Navjeet Singh Sobti	14,67,247	6.05	01-04-2017	N.A.	N.A.	14,67,247	6.05
				06-04-2017	81000	Acquisition	15,48,247	6.38
				18-04-2017	40000	Acquisition	15,88,247	6.54
				05-06-2017	76624	Acquisition	16,64,871	6.86
				30-08-2017	234472	Acquisition	18,99,343	7.83
				31-08-2017	97191	Acquisition	19,96,534	8.23
				05-09-2017	805	Acquisition	19,97,339	8.23
				08-09-2017	10000	Acquisition	20,07,339	8.27
				15-09-2017	10000	Acquisition	20,17,339	8.31
				28-09-2017	8000	Acquisition	20,25,339	8.35
				04-10-2017	18486	Acquisition	20,43,825	8.42
				05-10-2017	470	Acquisition	20,44,295	8.42
				06-10-2017	6620	Acquisition	20,50,915	8.45
				09-10-2017	400	Acquisition	20,51,315	8.45
		24-10-2017	25000	Acquisition	20,76,315	8.56		
		14,67,247	6.05	31-03-2018	N.A.	N.A.	20,76,315	8.56
4.	Rakam Infrastructures Private Limited	5,36,722	2.21	01-04-2017	N.A.	N.A.	5,36,722	2.21
				11-04-2017	99725	Acquisition	6,36,447	2.62
				12-04-2017	91000	Acquisition	7,27,447	3.00
		5,36,722	2.21	31-03-2018	N.A.	N.A.	7,27,447	3.00

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of Top Ten Shareholders	Shareholding at the beginning of the year April 01, 2017		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year March 31, 2018	
		No. of Shares	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
1.	Veena Gases & Chemicals Pvt. Ltd.	15,47,757	6.38	01-04-2017	N.A.	N.A.	15,47,757	6.38
				12-04-2017	(27300)	Sale	15,20,457	6.26
				26-04-2017	(8817)	Sale	15,11,640	6.23
				04-05-2017	25000	Acquisition	15,36,640	6.33
				04-05-2017	(5500)	Sale	15,31,140	6.31
				25-05-2017	13432	Acquisition	15,44,572	6.36
				06-06-2017	(24581)	Sale	15,19,991	6.26
				08-06-2017	24000	Acquisition	15,43,991	6.36
				14-06-2017	(42200)	Sale	15,01,791	6.19
				16-06-2017	10000	Acquisition	15,11,791	6.23
				19-06-2017	9573	Acquisition	15,21,364	6.27
				22-06-2017	(17225)	Sale	15,04,139	6.20
				27-06-2017	3500	Acquisition	15,07,639	6.21
				30-06-2017	6927	Acquisition	15,14,566	6.24
				31-03-2018		N.A.	N.A.	15,14,566
2.	KKM Enterprises Pvt Ltd	11,10,804	4.58	01-04-2017	N.A.	N.A.	11,10,804	4.58
						NIL Movement during the year		
				31-03-2018	N.A.	N.A.	11,10,804	4.58
3	Desire Retail Private Limited	10,12,798	4.17	01-04-2017	N.A.	N.A.	10,12,798	4.17
						NIL Movement during the year		
				31-03-2018	N.A.	N.A.	10,12,798	4.17
4	Ramble Markets Private Limited	10,00,000	4.12	01-04-2017	N.A.	N.A.	10,00,000	4.12
						NIL Movement during the year		
				31-03-2018	N.A.	N.A.	10,00,000	4.12

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Sl. No.	Name of Top Ten Shareholders	Shareholding at the beginning of the year April 01, 2017		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year March 31, 2018	
		No. of Shares	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
5.	Swift Buildwell Private Limited	8,77,500	3.62	01-04-2017	N.A.	N.A.	8,77,500	3.62
				06-11-2017	2,00,000	Acquisition	8,77,500	3.62
				21-11-2017	(2,00,000)	Sale	8,77,500	3.62
				14-02-2018	(60,000)	Sale	8,17,500	3.37
				31-03-2018	N.A.	N.A.	8,17,500	3.37
6.	Amarendra Financial Private Limited	12,93,995	5.33	01-04-2017	N.A.	N.A.	12,93,995	5.33
				31-03-2018	N.A.	N.A.	10,10,400	4.12
7.	Dilip Kumar Lakhi	5,36,263	2.21	01-04-2017	N.A.	N.A.	5,36,263	2.21
						NIL Movement during the year		
				31-03-2018	N.A.	N.A.	5,36,263	2.21
8.	Dharmayug Investments Limited	2,45,900	1.01	01-04-2017	N.A.	N.A.	2,45,900	1.01
						NIL Movement during the year		
				31-03-2018	N.A.	N.A.	2,45,900	1.01
9.	Parmeet Kaur	65,350	0.27	01-04-2017	N.A.	N.A.	65,350	0.27
				11-04-2017	14,003	Acquisition	79,353	0.33
				30-06-2017	25,000	Acquisition	1,04,353	0.43
				13-10-2017	25,000	Acquisition	1,29,353	0.53
				31-10-2017	7,295	Acquisition	1,36,648	0.56
				31-10-2017	1,000	Acquisition	1,37,648	0.57
				22-11-2017	25,000	Acquisition	1,62,648	0.67
				23-11-2017	10,000	Acquisition	1,72,648	0.71
				24-11-2017	16,280	Acquisition	1,88,928	0.78
				29-11-2017	15,000	Acquisition	2,03,928	0.84
				30-11-2017	15,000	Acquisition	2,18,928	0.90
				13-12-2017	51,000	Acquisition	2,69,928	1.11
				15-12-2017	15,000	Acquisition	2,84,928	1.17
				19-12-2017	25,000	Acquisition	3,09,928	1.28
				20-12-2017	53,152	Acquisition	3,63,080	1.50
		23-01-2018	10,000	Acquisition	3,73,080	1.54		
		22-02-2018	11,943	Acquisition	3,85,023	1.59		
		31-03-2018	N.A.	N.A.	3,85,023	1.59		

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Sl. No.	Name of Top Ten Shareholders	Shareholding at the beginning of the year April 01, 2017		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year March 31, 2018	
		No. of Shares	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
10.	Jagdeep Singh	4,12,971	1.70	01-04-2017	N.A.	N.A.	4,12,971	1.70
				12-07-2017	1,20,000	Acquisition	5,32,971	2.20
				11-10-2017	(10,000)	Sale	5,22,971	2.15
				12-10-2017	(15,000)	Sale	5,07,971	2.09
				13-10-2017	(4,250)	Sale	5,03,721	2.08
				23-10-2017	(10,000)	Sale	4,93,721	2.03
				25-10-2017	(50)	Sale	4,93,671	2.03
				27-10-2017	(1,000)	Sale	4,92,671	2.03
				30-10-2017	(7,295)	Sale	4,85,376	2.00
				01-11-2017	(4,300)	Sale	4,81,076	1.98
				21-11-2017	(25,000)	Sale	4,56,076	1.88
				22-11-2017	(10,000)	Sale	4,46,076	1.84
				23-11-2017	(16,280)	Sale	4,29,796	1.77
				28-11-2017	(15,000)	Sale	4,14,796	1.71
				29-11-2017	(15,000)	Sale	3,99,796	1.65
				12-12-2017	(51,000)	Sale	3,48,796	1.44
				14-12-2017	(15,000)	Sale	3,33,796	1.38
				15-12-2017	(3,701)	Sale	3,30,095	1.36
				18-12-2017	(25,000)	Sale	3,05,095	1.26
				19-12-2017	(53,152)	Sale	2,51,943	1.04
				27-12-2017	(50,000)	Sale	2,01,943	0.83
				03-01-2018	(10,000)	Sale	1,91,943	0.79
				22-01-2018	(10,000)	Sale	1,81,943	0.75
		21-02-2018	(11,943)	Sale	1,70,000	0.70		
		31-03-2018		N.A.	N.A.	1,70,000	0.70	

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year April 01, 2017		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year March 31, 2018	
		No. of Shares	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
1.	Ashok Kumar Gupta (Managing Director)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0

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Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year April 01, 2017		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the year March 31, 2018	
		No. of Shares	% of total shares of the Co.				No. of Shares	% of total shares of the Co.
2.	Ajay Kumar (Independent Director)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0
3.	Govind Prasad Agrawal (Director)	50,000	0.21	01-04-2017	N.A.	N.A.	50000	0.21
					(48639)	Sale	1361	0.01
				31-03-2018	N.A.		1361	0.01
4.	Shyam Sunder Lal Gupta (Independent Director)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0
5.	Chand Krishan Tikku (Independent Director)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0
6.	Ashu Gupta (Director)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0
7.	Sagar Gupta (Company Secretary)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0
8.	Swapan Guha (Chief Financial Officer)	0	0	01-04-2017	N.A.	N.A.	0	0
						NIL Movement during the year		
		0	0	31-03-2018	N.A.	N.A.	0	0

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amounts in Indian Rupees)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	5,00,100	0	5,00,100
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	5,00,100	0	5,00,100
Change in Indebtedness during the financial year				
* Addition-Loan	0	0	0	0
* Reduction-Loan	0	5,00,100	0	5,00,100
Net Change	0	(5,00,100)	0	(5,00,100)
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Amounts in Indian Rupees)

S. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Ashok Kumar Gupta	
1	Gross salary	20,18,400	20,18,400
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit		
	- others, specify...	00	00
5	Others, please specify	0	0
	Total (A)	20,18,400	20,18,400
	Ceiling as per the Act	42 Lakhs P.A.	

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

B. Remuneration to other directors:

(Amounts in Indian Rupees)

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Shyam Sunder Lal Gupta	Chand Krishan Tikku	Ajay Kumar	Govind Prasad Agrawal	Ashu Gupta	
1	Independent Directors						
	Fee for attending board/committee meetings	1,23,000	1,23,000	104,000	-	-	3,50,000
	Commission	0	0	0	-	-	0
	Others, please specify	0	0	0	-	-	0
	Total (1)	1,23,000	1,23,000	104,000	-	-	3,50,000
2	Other Non-Executive Directors						
	Fee for attending board/committee meetings	-	-	-	1,23,000	80,000	2,03,000
	Commission	-	-	-	0	0	0
	Others, please specify	-	-	-	0	0	0
	Total (2)	-	-	-	1,23,000	80,000	2,03,000
	Total (B)=(1+2)	1,23,000	1,23,000	104,000	1,23,000	80,000	5,53,000
	Total Managerial Remuneration	Total remuneration to Managing Director and other Directors (being the total of A and B= Rs. 2,571,000)					
	Overall Ceiling as per the Act	Upto Rs. One Lakh per Director for each meeting of Board/Committee.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

(Amounts in Indian Rupees)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Sagar Gupta (CS)#	Swapan Guha (CFO)#	Total
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		3,68,400	2,83,250	6,51,650
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		3,68,400	2,83,250	6,51,650

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year 2017-18, there were no penalties/punishment/compounding of offences under Companies Act, 2013.

For and on behalf of the Board of Directors
For Avonmore Capital & Management Services Limited

New Delhi
August 13, 2018

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Govind Prasad Agrawal
Director
DIN: 00008429

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

ACMS CSR policy is aimed to provide support to the disadvantaged/marginalized cross section of the society by providing opportunities to improve their quality of life.

The expenditure made is within the broad framework of Schedule VII of the Companies Act, 2013.

The CSR Committee has recommended the CSR Policy to the Board and the approved policy is uploaded on the Company's website at www.avonmorecapital.in

2. **The composition of the CSR committee: The composition of CSR Committee is as below:**

S. No.	Name	Designation	Position in the Committee
1	Mr. Ajay Kumar	Independent Director	Chairman
2	Mr. Govind Prasad Agrawal	Non-Executive Director	Member
3	Mr. Ashok Kumar Gupta	Managing Director	Member

3. **Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs. 367.88 Lakhs.

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 7.36 Lakhs.

5. **Details of CSR spent during the financial year:**

- a. Total amount spent for the financial year: Rs. 4.80 Lakhs.
 b. Manner in which the amount spent during the financial year:

S. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs(1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount Outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub heads:(1) Direct Expenditure (2) Overheads (Rs.)	Cumulative Expenditure upto there porting period (Rs.)	Amount Spent : Direct or through implementing agency
1	Contribution to Radha Madhav Centre for Social and Cultural Development engaged in socio-economic development and relief work	Various sectors covered by Schedule VII of the Companies Act, 2013.	Delhi, NCR	Rs.3.30 Lakhs	Rs.3.30 Lakhs	Rs.3.30 Lakhs	Direct through Radha Madhav Centre for Social and Cultural Development
2	Child Care & Development Foundation	Various sectors covered by Schedule VII of the Companies Act, 2013.	Delhi, NCR	1.50 Lakhs	1.50 Lakhs	1.50 Lakhs	Direct through Child Care & Development Foundation
	Total			Rs.4.80 Lakhs	Rs.4.80 Lakhs	Rs.4.80 Lakhs	

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

ACMS considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society.

ACMS CSR initiatives are on the focus areas approved by the Board benefitting the community. However, the company has just embarked on the journey of ascertained CSR programs.

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ACMS CSR Committee has been constituted in the month of November, 2017 for the first time and due to paucity of time, during the year, the Company has spend on the CSR activities less than the limits prescribed under Companies Act, 2013. The Company, however, will endeavor to spend the complete amount along with the amount for the year 2017-18 on CSR activities in accordance with the statutory requirements.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

**Ashok Kumar Gupta
Managing Director**

**Ajay Kumar
Chairman, Corporate Social
Responsibility Committee**

**New Delhi
August 13, 2018**

Corporate Governance Report

[Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of the Report of the Board of Directors]

The Corporate Governance Report for the financial year 2017-18 which has been prepared pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 contains details relating to the aforesaid year.

1. COMPANY'S PHILOSOPHY ON GOVERNANCE

Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. Your Company is committed to conducting business the right way which means taking decisions and acting in a way that is ethical and in compliance with the applicable legal requirements. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company achieve its vision of being the most respected Company in the financial services space in India. The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With the implementation of stringent employee code of conduct policy and adoption of a Whistle Blower Policy, the Company has moved ahead in its pursuit of excellence in corporate governance.

Our Board has Independent Directors, highly respected for their professional integrity as well as rich financial and banking experience and expertise. We have an advisory board comprising stalwarts with long and immaculate careers in banks, public service and legal profession.

2. BOARD OF DIRECTORS

(a) Composition of Board:

In terms of Corporate Governance philosophy all statutory

(b) Categories and Attendance of Directors

Sl. No.	Name	Category/ Designation	Attendance Particulars			Age (in years)	No. of Directorship/s in other companies [^]	No. of Membership(s)/ Chairmanship(s) in Board Committees (in other public company) [^]		Share Holding of Non-Executive Directors (Equity Shares)
			No. of Board Meetings	Last AGM				Member	Chairman	
			Held	attended	attended					
1	Mr. Ashok Kumar Gupta	Managing Director	8	8	Yes	53	1	-	-	-
2	Mr. Chand Krishna Tikku	Independent Director	8	8	No	88	-	-	-	-
3	Mr. Govind Prasad Agrawal	Non- Executive & Non-Independent Director	8	8	Yes	63	5	4*	1	1361
4	Mr. Shyam Sunder Lal Gupta	Independent Director	8	8	No	84	2	-	2	-
5	Mr. Ajay Kumar	Independent Director	8	7	Yes	67	2	1	2	-
6	Ms. Ashu Gupta	Non- Executive & Non-Independent Director	8	8	No	48	-	-	-	-

[^] does not include private Companies, foreign Companies and Companies under Section 8 of the Companies Act, 2013.

⁺ includes membership/chairmanship of Audit Committee and Stakeholder Relationship Committees of the Board of Directors

* Cease as a member of Stakeholders Relationship Committee of the Board of Directors of Margo Finance Limited w.e.f June 28, 2018.

and other significant material information is placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

The Board of Directors of the Company comprises of 6 Directors drawn from various field of expertise in their functional areas and brings a wide range of the skills and experience on the Board. The Company has combination of Executive and Non-Executive Directors with Non-Executive Chairman, which is in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 152 of the Companies Act, 2013. Of the 6 Directors, 1 is Executive Director and 5 Non-Executive Directors (including three Independent Directors). The Chairman of your Company is neither a promoter nor related to the promoters of your Company.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. None of the Directors on the Board is a member of more than 10 committees or chairman of more than 5 committees across all the Companies in which he is a Director. As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, necessary disclosures regarding committee positions in other public Companies as on March 31, 2018 have been made by the Directors to the Company. Further, none of the Directors are related to any other Director on the Board.

(c) Brief Profile of Board

Mr. Ashok Kumar Gupta (FCS), Managing Director, aged 53 years born on June 25, 1965 is a commerce graduate and is also a fellow member of 'The Institute of Company Secretaries of India'. Mr. Ashok Kumar Gupta is having vast experience in the field of finance, accounts and secretarial matters of the Companies.

Mr. Shyam Sunder Lal Gupta, Non-Executive & Independent Director, aged around 84 years born on September 28, 1933 is M.Com, LL.B, MBA & CAIIB and Advocate. He was associated for over 3 decades with the Industrial Finance Corporation of India as Legal Adviser & Head of the Legal Department and Chief General Manager. Mr. Shyam Sunder Lal Gupta was also associated with M/s Orr. Dinam & Co., a renowned firm of Solicitors and Advocates, as the head of their Delhi office. During his association, he had handled the work of Supreme Court, High Courts, MRTP Commission, CLB, Arbitrators etc. As a practicing Lawyer Mr. Shyam Sunder Lal Gupta was looking after the matters of Financial Institutions, Banks, and Public Sector Corporations like National Cooperative Development Corporation, Hauz Khas, New Delhi, National Scheduled Castes & Scheduled Tribes Finance & Development.

Mr. Chand Krishna Tikku, Non-Executive & Independent Director, aged 88 years born on April 23, 1930 is Former Chairman of Central Board of Direct Taxes, and is having a vast experience in the fields of Taxation, Accounting & Corporate Governance.

Mr. Ajay Kumar, Non Executive & Independent Director, aged around 67 years born on January 30, 1951 is 1976 batch Indian Administrative Services Officer (IAS)., he has vast and varied experience in Administration, Urban Development, Real Estate Development, Housing, Poverty, Public Health, Comparative Politics, International Relations & Law. He held the offices of Principal Secretary, Rural Engineering Organization & Vice Chairman, Bihar Rural Roads Development agency; Principal Secretary, Science and Technology, Govt. of Bihar; Principal Secretary Building & Housing cum Chairman Bihar State Housing Board (BSHB); Secretary Urban Development & Housing Department, Govt. of Bihar. At present, he is working as a special reporter for national Human Rights Commission for central West Zone; Partner of ACTM, an independent and global management consulting firm; Consultant to Stratixy Advisors India Pvt Ltd.; Managing Director to KGD-Architecture an infrastructure & Design Services Company; Advisor, infrastructure and Logistic Federation of India.

Mr. Govind Prasad Agrawal, Non-Executive Director, aged 63 years born on September 9, 1954, is a Law graduate and fellow member of 'The Institute of Company Secretaries of India'. He has got rich experience of more than 4 decades in the field of Finance, Law and Administration.

He is presently providing his valuable contribution by serving on the Board of Avonmore Capital & Management Services Limited as a Non- Executive Director and Committees' member of the Company.

He also serves on the Board of Almondz Finanz Limited, Rini Corporate Services Private Limited, Margo Finance Ltd., Rama Vision Limited, Yartex Exports Limited, Anemone Holdings Private Limited and Almondz Wealth Advisors Limited.

Ms. Ashu Gupta, Non-Executive Director, aged around

48 years born on December 23, 1969, is a commerce graduate from Delhi University, Bachelor of Law (L.L.B.) from Delhi University and became Company Secretary from the Institute of Company Secretaries of India (ICSI) in 1995. She has immense knowledge and experience of over 2 decades in almost every facet of Corporate Secretarial, Legal Advisory and consulting profession. She is well exposed in handling corporate legal matters and dealing with various regulatory authorities like Registrar of Companies (ROC), Regional Director (RD), Company Law Board (CLB)/NCLT, Ministry of Corporate Affairs, Securities & Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI) etc.

(d) Non-Executive Directors' Compensation and Disclosures

All the non-executive directors of your Company are being paid Sitting Fees for each Meeting/s of the Board of Directors or Committee/s thereof, attended by them, as the case may be. During the year under review, the Sitting Fees for attending the Board meeting was Rs. 10,000/- each, while the Sitting Fees for attending each meeting of the Audit Committee(s) of the Board of Directors was Rs. 5,000/- per meeting.

(e) Separate Meeting of Independent Directors

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, one separate meeting of Independent Directors of the Company was held during FY 2017-18 inter alia, to discuss the following:

- To review the performance of non-independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company;
- To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have expressed their satisfaction over the performance of the other Directors and the Board as whole. They have also expressed their satisfaction over the quality, quantity and flow of information between the Company management and the Board / Committees of the Board.

(f) Familiarization programme for independent directors

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and operations of the Company. Quarterly updates on relevant statutory changes are discussed in the Board meetings. The details of such familiarization Programme of the Company may be accessed on the Company's website at www.avonmorecapital.in

(g) Board Level Performance Evaluation:

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive Directors, Non-Executive Directors including Independent Directors ("IDs"), Committees of the Board and Board as a Whole.

The criteria for performance evaluation are as under:

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/ her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc. Board members had submitted their response on a scale of 5 (excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non- Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.

(h) Other Provisions as to Board and Committees

The Company's Board of Directors plays primary role in ensuring good governance and functioning of the Company.

The Board's role, functions, responsibility and accountability are clearly defined. All relevant information (as legally mandated) is placed before the Board. The Board reviews compliance reports of all laws as applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year 2017-2018 the Board of Directors met Eight (8) times on the following dates:- May 29, 2017, July 7, 2017, August 12, 2017, August 28, 2017, November 14, 2017, December 8, 2017, February 14, 2018 and March 28, 2018.

The gap between any two consecutive Board Meetings does not exceed one hundred and twenty days.

The Directors present in the meetings actively participated in the deliberations. Your Company ensures that the gap between two consecutive does not exceed one hundred and twenty days. The provisions of the Companies Act, 2013 and the requirements of the SEBI (LODR) Regulations are duly complied with.

(i) Board Procedure

The Board of your Company comprises of professionals, experienced and active members. The presence of Independent Directors brings to the Company a wide range of experience and expertise both in their fields and boardroom practices. The Board meetings are held regularly, at least once in a quarter, to review/ approve the quarterly results. Additional meetings are held, whenever necessary, to review strategies, operations and to chart out policies and practices.

The Company Secretary prepares the Board agenda and the explanatory notes in consultation with the Managing

Director.

All the key issues included in the agenda for consideration of the Board are backed by detailed background information to enable the Board to take informed decisions and the Managing Director ensures that all the Directors are properly briefed on the matters being discussed. Every Director is free to suggest inclusion of items on the agenda with the permission of the Chair. Board Meetings are scheduled well in advance, dates of the Board meetings are usually informed to all directors and auditors and other concerned officer/s two to three weeks in advance and agenda papers are circulated about seven days prior to the meeting and only in exceptional cases, some of items/related documents are tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. Senior management personnel are called to provide additional information/inputs for the items being discussed by the Board of Directors, as and when necessary.

The draft minutes of proceedings of the meetings of each Board are circulated to all Directors for their confirmation before being recorded in the Minute Books. Comments, if any, received from the Directors are incorporated in the minutes.

All resolutions passed by circulation by the Directors are also placed before the Board, for noting.

The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company and takes steps to rectify non-compliances, if any. The members of the Board have access to all information of the Company. Every Board Meeting is well attended by sufficient number of Directors.

All the Non-Executive and Independent Directors have extensive professional and business experience and they are free from any material business or other relationships with the Company, which could interfere with the exercise of their independent judgments.

(j) Board Support

The Company Secretary of the Company attends all the Meetings of Board and advises/assures the Board on Compliance and Governance principles.

(k) Code of Conduct

The Board of Directors has adopted Codes of Conduct, applicable to Directors and to employees of the Company. The said Codes of Conduct have been posted on the Company's website at www.avonmorecapital.in. The Company has obtained declarations from all its Directors affirming their compliances with the applicable Codes of Conduct. The declaration by the Managing Director in compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 affirming compliance of the Code of Conduct by all members of the Board and the Senior Management Personnel for the year ended March 31, 2018 is attached to this Corporate Governance Report.

3. COMMITTEES OF THE BOARD

The Board of Directors has constituted various Committees of the Board viz.

- Audit Committee,
- Nomination and Remuneration Committee,

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

- Corporate social Responsibility Committee,
- Stakeholder Relationship Committee,
- Committee for Further Issue of Shares,
- Management Committee,
- Risk Management Committee.

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman / Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

• AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, inter-alia provides assurance to the Board on the adequacy of the internal control system and financial disclosure.

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Reviewing the adequacy of internal audit function, if any,

including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

9. approval or any subsequent modification of transactions of the Company with related parties;
10. scrutiny of inter-corporate loans and investments;
11. valuation of undertakings or assets of the Company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. monitoring the end use of funds raised through public offers and related matters.
14. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors, any significant findings and follow up there on.
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
20. To review the functioning of the Whistle Blower mechanism.
21. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
22. To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

COMPOSITION

The terms of reference of the Committee are governed by a Charter, covering all applicable matters specified under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The members of the Committee are:

Name of Members	Designation	Category
Ajay Kumar	Chairman	Independent Director
Chand Krishna Tikku	Member	Independent Director
Shyam Sunder Lal Gupta	Member	Independent Director
Govind Prasad Agrawal	Member	Non-executive Director

The Committee members have requisite experience in the fields of Finance and Accounts, Banking and Management. The Audit Committee met 7 times during the year. The quorum of the Committee is 1/3rd of the total strength of the Committee or 2 members, whichever is higher and minimum of two independent Directors. Mr. Ajay Kumar, who is a non-executive and Independent Director, having sufficient accounting and financial

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management expertise and is acting as the Chairman of the Committee,

The Company Secretary acts as the Secretary to the Audit Committee meetings. During the financial Year under review, the Audit Committee meetings were held on May 29, 2017, August 12, 2017, August 28, 2017, November 14, 2017, December 8, 2017, February 14, 2018 and March 28, 2018. For the finalization of the Audited Annual Accounts of the Company, the meeting of the Audit Committee was held on May 30, 2018. The attendance of the individual Directors in the aforesaid meetings were as follows:

Name of Directors	No. of Meeting Attended/ held during the F.Y. 2017-18
Mr. Govind Prasad Agrawal	7/7
Mr. Chand Krishna Tikku	7/7
Mr. Shyam Sunder Lal Gupta	7/7
Mr. Ajay Kumar	6/7

• NOMINATION AND REMUNERATION COMMITTEE TERMS OF REFERENCE

The terms of reference of the Nomination and Remuneration Committee of the Company cover the matters as specified in Regulation 19 of SEBI (LODR) Regulation, 2015 and Section 178 of the Companies Act, 2013 which are broadly as under:

- To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To extend or continue whether the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

COMPOSITION

The Nomination and Remuneration Committee is presently constituted of four Directors, the Chairman being an Independent Director.

Members	Designation	Category
Mr. Ajay Kumar	Chairman	Non Executive & Independent Director
Mr. Chand Krishna Tikku	Member	Non Executive & Independent Director
Mr. Shyam Sunder Lal Gupta	Member	Non Executive & Independent Director
Mr. Govind Prasad Agrawal	Member	Non Executive Director

During the year under review only 1 (One) meeting of Nomination and Remuneration Committee was held, i.e. on August 12, 2017. Mr. Ajay Kumar, Non Executive & Independent Director, has been nominated as the Chairman for the Committee meetings.

REMUNERATION OF DIRECTORS

The Company has not paid any remuneration to any of its Non-Executive Directors, except the Sitting Fees for attending meetings

of the Board/Committee meetings. Managing Director is the only Executive Director in the Company. The compensation of the Managing Director comprises a fixed component and a performance incentive. The Managing Director is not paid sitting fees for any board / committee meetings attended by him. Details of the remuneration of Directors for the year ended March 31, 2018 are as follows:

(a) Executive Director

Name	Category	Salary & Perquisites (Rs.)
Mr. Ashok Kumar Gupta	Managing Director	20,18,400

(b) Non-Executive Directors

Name	Category	Sitting Fees (Rs.) As on 31.03.2018
Mr. Govind Prasad Agrawal	Non-Executive Director	1,23,000
Mr. Chand Krishna Tikku	Independent Director	1,23,000
Mr. Shyam Sunder Lal Gupta	Independent Director	1,23,000
Mr. Ajay Kumar	Independent Director	104,000
Ms. Ashu Gupta	Non-Executive Director	80,000

• STAKEHOLDERS RELATIONSHIP COMMITTEE TERMS OF REFERENCE

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee in terms of the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 to consider and resolve the grievances of security holders of the Company.

COMPOSITION

The Stakeholders Relationship Committee is presently constituted of three Non-executive directors and a Managing Director of the Company.

S. No.	Name	Designation	Category
1.	Mr. Govind Prasad Agrawal	Chairman	Non-Executive Director
2.	Mr. C. K. Tikku	Member	Non-Executive & Independent Director
3.	Mr. Shyam Sunder Lal Gupta	Member	Non-Executive & Independent Director
4.	Mr. Ashok Kumar Gupta	Member	Managing Director

During the year under review, 2 (Two) Stakeholders Relationship Committee (Formerly Share Transfers & Shareholders Grievance Committee) meetings were held on April 11, 2017 and July 19, 2017 which were attended by all the Members of the Committee. Mr. Govind Prasad Agrawal, Non-Executive Director, has been nominated as the Chairman of the Committee for all its meetings. The various issues addressed in connection with Shareholders' and Investors' Services & Grievances are:

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- (a) Share Transfer:
- I. Approve and effect Transfer and Transmission of Shares,
 - II. Issue of new Share Certificates in lieu of the lost/ mutilated Share Certificates,
 - III. Consolidation of Folios/Transposition of Names.
- (b) Shareholders'/Investors' Complaints:
- I. Non-receipt of Shares after Transfer / Transmission,
 - II. Non-receipt of Annual Report,
 - III. Other matters including change of address, etc.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents Beetal Financial & Computers Services Pvt. Ltd. attend to all the grievances of the shareholders' and investors' received, if any. The minutes of this Committee are being placed in the subsequent Board Meeting held after the Committee meeting. Continuous efforts are made to insure that grievances are more expeditiously redressed to the complete satisfaction of the shareholders. The Company Secretary is the Compliance Officer of the Company.

• COMMITTEE FOR FURTHER ISSUE OF SHARES

The Board of Directors of the Company has constituted a Committee for Further Issue of Shares. At present the Further Issue of Shares committee comprises of Mr. Shyam Sunder Lal Gupta, Mr. C.K. Tikku, Mr. Govind Prasad Agrawal and Mr. Ashok Kumar Gupta. No meeting has been held during the year under review.

Sl. No.	Name	Designation	Category
1.	Mr. Shyam Sunder Lal Gupta	Member	Non-Executive & Independent Director
2.	Mr. C.K. Tikku	Member	Non-Executive & Independent Director
3.	Mr. Govind Prasad Agrawal	Member	Non-Executive Director
4.	Mr. Ashok Kumar Gupta	Chairman	Managing Director

5. GENERAL BODY MEETINGS

- i. **General Meetings**
- a. **Details of the last three Annual General Meetings:-**

Financial Year Ended	AGM	Location	Date of Meeting	Time of Meeting
March 31, 2017	25 th	MPCU Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi-110054	September 28, 2017	12:00 Hrs.
March 31, 2016	24 th	MPCU Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi-110054	September 29, 2016	01:30 Hrs.
March 31, 2015	23 rd	MPCU Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi-110054	September 29, 2015	02:30 Hrs.

- b. **Extraordinary General Meeting:**

During the year under Report, no extraordinary general meeting of the shareholders of the Company was held.

• MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted a Management Committee and delegated the powers of borrowing, lending and acquisition of the securities of any other body corporate/s and the powers pertaining to the general administration and management of the Company with the objective of business expediency. The Committee presently comprises of Mr. Shyam Sunder Lal Gupta, Mr. Ashok Kumar Gupta, Mr. Govind Prasad Agrawal & Mr. Ajay Kumar. Mr. Ashok Kumar Gupta is the Chairman of the committee.

The Company Secretary is Secretary of all the Committee meetings. No meeting has been held during the year under review.

• RISK MANAGEMENT COMMITTEE

In compliance with the provision of Section 134 (3) (n) of the Companies Act, 2013 & SEBI (LODR) Regulations, 2015, Company has constituted a Risk Management Committee on March 30, 2015 to oversee risk management function performed by the management, define and review the framework for identification, assessment, monitoring, mitigation and reporting of risks.

The Risk Management Committee consists of Mr. Ashok Kumar Gupta (Managing Director & Chairman), Mr. Govind Prasad Agrawal (Non-Executive Director).

The broad terms of reference of committee are as under:

- i. To monitor and review the risk management framework of the Company;
- ii. To oversee risk management process, systems and measures implemented to mitigate the same; and
- iii. Any other matter as may be mandated/referred by the Authority/Board.

4. MANAGEMENT DISCUSSION & ANALYSIS REPORT

A Management Discussion and Analysis Report is forming part of this Annual Report containing Industry Structure and Developments, Opportunities and Threats, Outlook, Risks and concerns, Internal control systems and their adequacy, Material developments in Human Resources / Industrial Relations front, including number of people employed.

During the year under report, the Senior Management of your Company did not have any material financial and commercial transactions where they have personal interest having a potential conflict with the interest of the Company at large.

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c. Details of Special Resolution(s) passed at the last 3 (three) Annual General Meetings are as follows:

Annual General Meeting	Particulars of Special Resolutions Passed
25 th Annual General Meeting	No Special Resolution was passed
24 th Annual General Meeting	Re-appointment of Mr. Ashok Kumar Gupta (DIN 02590928), as Managing Director of the Company
23 rd Annual General Meeting	No Special Resolution was passed.

ii. Postal Ballot :

The Company had sought shareholders approval by way of special resolution through Postal ballot process on July 14, 2017 pursuant to Section 110 of the Companies Act, 2013, read with the Rule 22 of the Companies (Management and Administration) Rules, 2014 on the following occasions:

(A) The Company sought approval of the members on July 14, 2017 to the following business as set out in notice dated May 29, 2017:

1) Adoption of new set of Articles of Association of the Company in conformity with the Companies Act, 2013;

S. No.	Particulars		Resolution No. 1 Special Resolution	
			No. of Postal Ballots	No. of Shares
A	Postal Ballot forms received	E-voting	21	17120762
		Physical	13	490261
B	Less : Invalid Postal Ballot Forms		NIL	NIL
C	Net Valid Postal Ballot Forms of which:		34	17611023
(i)	Total No. of shares with Assent for the resolution		33	17611022
(ii)	Total No. of shares with Dissent for the resolution		1	1 (0%)

The aforesaid resolution was passed with the overwhelming requisite majority.

M/s C. B. Mishra & Associates, Practicing Company Secretary was appointed as scrutinizer for conducting the Postal ballot exercise.

As per the requirement under the provisions of Section 108, 110 and other applicable provisions, if any, of the Act, your Company had also provided e-voting facility to the members of the Company through Central Depository Services (India) Limited (CDSL) which enabled members to cast their votes electronically.

6. MEANS OF COMMUNICATION

The quarterly and annual results of the Company are published in leading newspapers in India, viz. Business Standard (English & Hindi) / Financial Express (English) / Jansatta (Hindi), the results are also displayed on the Company's website "www.avonmorecapital.in". The Company also regularly provides relevant information to the stock exchanges as per the requirements of the SEBI (LODR) Regulations, 2015. A Management Discussion and Analysis Report is a part of the Company's Annual Report.

Further, your Company is already maintaining a functional website containing various disclosures/information about the Company for the public at large including basic information as mandated under newly inserted Regulation 46 of the SEBI (LODR) Regulations, 2015, and regularly updating the information available thereon.

As per the requirement of the Regulation 47 of the SEBI (LODR) Regulations, 2015, the Financial Results are published in leading national newspapers as detailed hereinbelow:

Quarter/Financial Year ended	Unaudited/ Audited	Name of the Newspaper(version)	Date of Publication
June 2017 (Qtrly.)	Unaudited	Financial Express (English) & Jansatta (Hindi)	English August 13, 2017 Hindi August 13, 2017
September 2017 (Qtrly.)	Unaudited Standalone	Business Standard (English & Hindi)	English November 15, 2017 Hindi November 15, 2017
September 2017 (Qtrly.)	Unaudited Consolidated	Business Standard (English & Hindi)	English December 9, 2017 Hindi December 9, 2017
December 2017 (Qtrly.)	Unaudited	Business Standard (English & Hindi)	English February 15, 2018 Hindi February 15, 2018
March 2018 (Annual)	Audited	Business Standard (English & Hindi)	English May 31, 2018 Hindi May 31, 2018

The Company has also designated "complianceacms@almondz.com" as an email id for the purpose of registering complaints by investors and displayed the same on the Company's website.

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COMPLIANCE OFFICER

The Board had designated Mr. Sagar Gupta, Company Secretary as the Compliance Officer of the Company.

Address: F-33/3, Okhla Industrial Area, Phase-II, New Delhi-110020

E-mail: complianceacms@almondz.com

Phone: 011-43500700

Fax: 011- 43500787

7. GENERAL SHAREHOLDERS' INFORMATION

i) Annual General Meeting:

Date : 27 September 2018

Time : 12.00 P.M.

Venue : MPCU Shah Auditorium, Shree Delhi Gujarati Samaj (Regd.), 2, Raj Niwas Marg, Civil Lines, Delhi – 110054

ii) Financial Calendar:

Approval of Unaudited Quarterly Results for the period ended:

- June 30, 2017 — August 12, 2017
- September 30, 2017 — November 14, 2017 (Standalone) and December 8, 2017 (Consolidated)
- December 31, 2017 — February 14, 2018

Approval of Audited Financial Results for Financial Year ended:

- March 31, 2018 — May 30, 2018

iii) Book Closure Dates:

September 21, 2018 –September 27, 2018 for the 26th Annual General Meeting (both days inclusive).

iv) Listing on Stock Exchanges:

Bombay Stock Exchange Limited, Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

The shares of the Company were listed on Delhi Stock Exchange Ltd. (DSE), DSE House, 3/1, Asaf Ali Road, New Delhi 110 002. However, SEBI vide its order No.WTM/PS/45/MRD/DSA/NOV/2014 dated November 19, 2014 withdrew the recognition granted to the said stock exchange.

v) Scrip Codes/Symbol:

Scrip ID at Bombay Stock Exchange Limited: AVONMORE

Scrip Code Bombay Stock Exchange Limited: 511589

Listing Fees as applicable has been paid.

vi) ISIN No. of the Company's Equity Shares:

INE323B01016 as allotted by NSDL & CDSL

vii) Depositories Connectivity:

i) National Securities Depository Limited (NSDL)

ii) Central Depository Service (India) Limited (CDSL)

viii) Corporate Identification Number:

L67190DL1991PLC045857

ix) Market Price Data:

High, Low and number of equity shares traded during each month in the financial year 2017-18 at the Bombay Stock Exchange Limited:

Bombay Stock Exchange Ltd. (BSE)

Month & Year	Month's High Price	Month's Low Price	No. of shares traded
Apr-17	13.75	11.56	717777
May-17	13.49	9.69	142543
Jun-17	14.58	10.24	1041234
Jul-17	21.61	13.2	1539185
Aug-17	18.2	13.65	492600
Sep-17	21.5	16.55	496765
Oct-17	26.00	17.15	527544
Nov-17	29.00	22.1	1349731
Dec-17	51.1	26.2	4259494
Jan-18	47.00	34.00	2514915
Feb-18	43.65	30.55	1555129
Mar-18	34.35	25.5	517270

*Face Value of Equity Shares of the Company is Rs. 10/- each.

Source: www.bseindia.com

x) Reconciliation of Share Capital Audit Report

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by M/s C. B. Mishra & Associates, Practicing Company Secretary for reconciliation of share capital of the Company.

The audit report inter alia covers and certifies that the total shares held in NSDL, CDSL and those in physical form, tally with the issued and paid-up capital of the Company, the Register of Members is duly updated, demat requests are confirmed within stipulated time etc.

Details of changes, if any, in the share capital of the Company during the quarter, are also covered in the report. The Reconciliation of Share Capital Audit Report is submitted with BSE and is also placed at the meetings of the Board of Directors.

Status of Dematerialization of Shares as on March 31, 2018

Particulars	No. of Shares	% of Total capital
Dematerialized*	2,40,26,390	98.99
Physical	2,44, 510	1.01
Total	2,42,70,900	94.62
Total Issued Capital (includes 13,79,380 forfeited shares)	2,56,50,280	

xi) Registrars & Transfer Agents (RTA):

M/s Beetal Financial & Computer Services Pvt. Ltd.
"Beetal House", 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir, New Delhi – 110 062
Phone Number: 91-11-2996 1281/82
Fax Number: 91-11-2996 1280/84
E-mail: beetalrta@gmail.com,
Website: www.beetalfinancial.com

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xii) Investors Correspondence / Query

For Transfer/Transmission, Dematerialisation of shares, and any other query relating to the shares of the Company:

M/s Beetal Financial & Computer Services Pvt. Ltd.

"Beetal House", 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi – 110 062

For any query on Annual Report:-

Secretarial Department

Avonmore Capital & Management Services Limited
F-33/3, Okhla Industrial Area, Phase-II,
New Delhi-110020

xiii) Share Transfer System:

All matters connected with the share transfer both physical and electronic, dividends and other matters are handled by the Registrar & Transfer Agents located at the address mentioned elsewhere in this report. Shares lodged for transfer are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from shareholders and other miscellaneous correspondence on change of address, etc., are processed by the Registrar & Transfer Agents. Pursuant

xv) Evolution of Capital:

Date of Allotment	No. of Shares	Reasons for Allotment	Cumulative No. of Shares	Cumulative Listed/Traded Capital
Incorporation	20	On Incorporation	20	-
15.05.1992	50	Preferential Allotment	70	-
15.12.1992	199930	Preferential Allotment	200000	-
29.01.1993	800000	Preferential Allotment	1000000	-
30.06.1993	600000	Preferential Allotment	1600000	-
04.05.1994	1600000	Public Issue	3200000	3200000
20.05.1996	4122700	Public – cum Rights Issue	7322700	7322700
08.06.1997	269491	Conversion of Fully paid Zero Interest Unsecured Fully Convertible Debentures of Rs. 25/- each	7592191*	3860491
30.09.1998	7189	Conversion of Fully paid Zero Interest Unsecured Fully Convertible Debentures of Rs. 25/- each	7599380	3867680
29.03.2004	2352320	Reissue of forfeited shares	7599380	6220000**
19.08.2006	465000	Preferential Allotment	8064380	6685000
30.03.2007	2825000	Preferential Allotment	10889380	9510000
19.09.2007	505900	Preferential Allotment	11395280	10015900
10.05.2010	1755000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis	13150280	11770900
20.11.2010	2000000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis	15150280	13770900
31.03.2014	7500000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis	22650280	21270900
05.09.2014	3000000	Allotment of shares pursuant to Conversion of Warrants issued on Preferential Basis	25650280	24270900

Notes:

* Out of 7592191 shares 3731700 shares were forfeited in September 1997.

** Out of 3731700 shares 2352320 shares were reissued in 2004.

to SEBI (LODR) Regulations, 2015, certificates, on half-yearly basis, have been issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company. The Company, as required under SEBI (LODR) Regulations, 2015, has designated the following e-mail IDs, namely complianceacms@almondz.com for the purpose of registering complaints, if any, by the shareholders and expeditious redressal of their grievances. Shareholders are, therefore, requested to correspond with the Registrar & Transfer Agents for transfer / transmission of shares, change of address and queries pertaining to their shareholding, at their address given in this report.

xiv) Consolidation of Folios:

Members holding shares of the Company in physical form through multiple folios are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into a single folio, to the BEETAL, the Registrar and Transfer Agent of the Company.

xvi) Shareholding as on March 31, 2018:

A. Distribution of Shareholding as on March 31, 2018:

Share Holding of Nominal Value of Rs.	No. of Shareholders	% of Shareholders	No. of Sharesheld	% of shareholding
Up To 5000	4760	77.40	742691	3.06
5001 To 10000	656	10.67	555080	2.29
10001 To 20000	338	5.50	528733	2.18
20001 To 30000	164	2.67	428672	1.77
30001 To 40000	45	0.73	162797	0.67
40001 To 50000	44	0.71	209021	0.86
50001 To 100000	68	1.10	512839	2.11
100001 and above	75	1.22	21131067	87.06
TOTAL	6150	100.00	24270900	100.00

xvii) Details of complaints received and redressed during the year under Report:

Opening Balance	Received	Resolved	Closing Balance
Nil	00	00	NIL

The complaints, if any, are generally replied to within 7-10 days from their lodgment with the Company.

xviii) Green Initiative in Corporate Governance:

Section 136 of the Act and the Rules framed there under allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. As a responsible corporate citizen, the Company proposes to effect electronic delivery of the Annual Report of the Company in lieu of the paper form to the Members who have registered their email IDs with the Depositories. A physical copy of the Annual Report will be sent to those Members who have not registered their email addresses with the Depositories for receiving electronic communication. A physical copy of this Annual Report can also be obtained free of cost by any member from the Registered Office of the Company.

A copy of this Annual Report along with its subsidiary is also available on the website of the Company at www.avonmorecapital.in.

xix) Nomination Facility

Individual shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his / her name.

For further details, shareholders may write to BEETAL.

8. OTHER DISCLOSURES

A. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large

All material transactions entered into with related parties as defined under the Act and SEBI (LODR) Regulations, 2015 during the financial year were in ordinary course and at arm's length and have been approved by the audit committee. The Company has obtained the shareholders approval along with annual limits for the related Party Transactions. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link www.avonmorecapital.in.

During the year under report, there were no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties as per requirements of Accounting Standard (AS-18) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in the Accounts in the Annual Report.

B. Details of non-compliance by the Company, penalties and structures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all requirements of the SEBI (LODR) Regulations, 2015 entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or material penalties imposed, by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

C. Whistle Blower Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. Accordingly, a whistle Blower Policy ("Policy") has been formulated where the employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the chairman of the Audit Committee. The Company ensures that genuine whistle blowers are accorded complete protection from any kind of unfair treatment. The Policy is posted on the website of the Company www.avonmorecapital.in.

D. Details of Compliance with mandatory items of Corporate Governance

The Company has complied with all the mandatory Corporate Governance requirements as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C , D and E of Schedule V of Chapter IV of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 (LODR) for the period under report and the Companies Act, 2013 (amended as on date). The Company is also in compliance with the Corporate Governance and Disclosure norms for NBFCs issued by Reserve Bank of India.

The Company has also ensured the implementation of non mandatory item as such:

- Separate post of Chairman and Managing Director and reimbursement of expenses in the performance of duties.
- Unmodified audit opinion / report.
- The Internal Auditor directly reports to the Audit Committee.

Uday Kotak Committee Recommendations

In June 2017, SEBI set up a committee under the chairmanship of Shri Uday Kotak to advise on issues relating to corporate governance in India. In October 2017, the committee submitted a report containing its recommendations, which were considered by SEBI in its board meeting held in March 2018. On May 9, 2018, SEBI notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 implementing majority of these recommendations effective from April 1, 2019 or such other date as specified therein. The Company substantially complies with the amendments notified and wherever there are new requirements, it will take necessary steps to ensure compliance by the effective date.

E. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in Note to Accounts.

F. Subsidiary Companies

The Audit Committee reviews the financial statements and investments made by unlisted subsidiary companies. The minutes of the Board Meeting as well as statements of all significant transactions of the unlisted subsidiary companies are placed regularly before the Board of Directors for their review.

During the Financial Year ended March 31, 2018, the Company had Nine subsidiaries namely Almondz Infosystem Private Limited, Latitude 23 Communications Limited, Red Solutions Private Limited, Almondz Global Securities Limited, Avonmore Developers Private Limited, Glow Apparels Private Limited, Apricot Infosoft Private Limited, Anemone Holdings Private Limited and Shivsathi Niketan Limited.

INSIDER TRADING

Code of Conduct for Prevention of Insider Trading

The Company has adopted a comprehensive Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, for prevention of insider trading in shares of the Company. The Code of Conduct is implemented diligently mandating initial and continual disclosures. The transactions of the insiders in the shares of the Company are subjected to trading window closures, pre-clearance of trades etc. as envisaged in the Code. The Code has been disseminated through the Company's intranet for easy access to the employees and is updated from time to time.

COMPLIANCE

The Company has complied with the requirements of the Stock

Exchanges, SEBI, RBI and other Statutory Authorities during the immediately preceding three financial years on all matters related to the Capital Market, and no strictures and penalties have been imposed on the Company by the abovesaid Authorities during the last three years.

9. COMPLIANCE CERTIFICATE OF THE AUDITORS

During the financial year ended March 31, 2018 your Company has complied with the conditions of corporate governance as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Further, Certificate from Statutory Auditors of the Company, confirming compliance with conditions of Corporate Governance as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report.

10. MANAGING DIRECTOR AND CFO CERTIFICATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate with respect to the prescribed matter is annexed with the Directors' Report and has been signed by Mr. Ashok Kumar Gupta, Managing Director and Mr. Swapan Guha, Chief Financial Officer of the Company.

11. GENERAL DO'S AND DON'TS:

- Shareholders/ Beneficial holders should quote their Folio No./ DP Id and Client Id, as the case may be, in all the correspondences with the Company.
- Shareholders/ Beneficial holders should mention their Contact Nos./ Fax Nos. and e-mail Id. Such e-mail ID shall be registered in the records of the Company.
- Shareholders are requested to furnish self-attested copy of their PAN card, at the time of submitting the physical share certificate(s) for transfer, transmission, deletion or any other request, to the Company.
- Securities and Exchange Board of India (SEBI), by its Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009, and SEBI/MRD/DoP/SE/RTA/Cir-08/2010, dated 7th January, 2010 has made it mandatory for the transferee(s) to furnish the copy of the PAN Card to the Company for registration of physical transfer of shares and for transmission, deletion and transposition of shares in physical form.
- Shareholders are requested to maintain a record of their specimen signature before lodgment of shares with the Company to obviate possibility of difference in signature at a later date.
- Investors holding shares in dematerialised form should send all the communications related to change in address or change in bank details to their Depository Participant.

Declaration

As provided under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all Board members and Senior Management Personnel have affirmed compliance with Avonmore Capital & Management Services Limited Code of Business Conduct and Ethics for the year ended on March 31, 2018.

**For and on behalf of the Board of Directors
For Avonmore Capital & Management Services Limited**

	Ashok Kumar Gupta	Govind Prasad Agrawal
New Delhi	Managing Director	Director
August 13, 2018	DIN: 02590928	DIN: 00008429

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Appendix to the Statement on Corporate Governance

Appendix – I

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

To the Members of
AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

We have examined the compliance of conditions of Corporate Governance by Avonmore Capital & Management Services Limited ('the Company') for the year ended March 31, 2018, as stipulated in relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of SEBI (LODR) Regulations, 2015 (Regulation 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of the Listing Regulations) for the period from April 1, 2017 to March 31, 2018. We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the 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 Listing Agreement / LODR.

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 **Mohan Gupta & Company**
Chartered Accountants
Firm Registration No. 006519N

CA Mohan Gupta
Proprietor
FCA – Membership No. 082466

Place : New Delhi
Dated : May 30, 2018

Appendix to the Statement on Corporate Governance

Appendix-II

CERTIFICATION BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER TO THE BOARD

To,
The Board of Directors
Avonmore Capital & Management Services Limited,

We, Ashok Kumar Gupta, Managing Director and Swapan Guha, Chief Financial Officer of Avonmore Capital & Management Services Limited (hereinafter "the Company"), do hereby certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements give a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. 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.
3. We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board of Directors. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We indicate to the Auditors and to the Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year;
5. We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct of the applicable provisions of SEBI (LODR) Regulations, 2015 for the current year.

For Avonmore Capital & Management Services Limited

New Delhi
May 30, 2018

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Swapan Guha
Chief Financial Officer
PAN: AFFPG3618G

Declaration by Managing Director under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding adherence to the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its Board members and the Senior Management and the same is available on the Company's Website. I confirm that the Company has in respect of financial year ended March 31, 2018 received from the senior management team of the Company and the members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For Avonmore Capital & Management Services Limited

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Date: August 13, 2018
Place: New Delhi

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Avonmore Capital & Management Services Limited ('ACMS' or 'the Company') The Company is registered with the Reserve Bank of India (RBI) to carry on the business of a Non-Banking Financial Institution without accepting public deposits.

ECONOMIC OUTLOOK

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

The financial year 2017-18 saw large scale reforms initiative come into full force. Goods and Service Tax (GST) was rolled out on schedule on July 1, 2017. This has created a single market for providers of Goods and Services. A single tax on transactions will aid GDP by reducing the reducing the cost of doing business. The other major reform was the constitutional of National Company Law Tribunal (NCLT) and Insolvency and Bankruptcy Code (IBC). This is likely to reduce the time taken to resolve stressed assets through a time bound resolution programme for referred accounts. While private activity remained somewhat subdued on account of the fall in consumer sentiment, the government showed its intent by taking long pending tough decisions in the interest of the country's future. Thus, India continued to witness steady economic growth despite a volatile internal and weak external environment.

Incoming economic data remains largely encouraging, with GDP growth picking up more than expected in the October to December period, and leading indicators showing the recovery carrying over into the final quarter of the fiscal year. The robust GDP print reflected higher government consumption growth and increased public capital outlays, which more than offset a moderation in private spending growth. That said, consumption indicators have mostly bottomed out and are now gaining attraction.

INDUSTRY OVERVIEW

The country's financial services sector consists of the capital markets, insurance sector and non-banking financial companies (NBFCs). India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30 per cent in 2017.

NBFCs continued to grow their share in the financial services industry. Data published by the RBI in its Financial Stability Reports dated June 30, 2017 and December 21, 2017 show that the NBFCs have outperformed scheduled commercial banks (SCBs) on growth in advances, asset quality and profitability. This growth momentum of NBFCs should result in their share in the financial services sector increasing in the near future.

In April 2018, the Government of India issued minimum FDI capital requirement of US\$ 20 million for unregistered /exempt financial entities engaged in 'fund based activities' and threshold of US\$ 2 million for unregistered financial entities engaged in 'non-fund based activities'.

India's financial services sector is diversified, comprising of entities such as commercial banks, co-operatives, insurance, companies, pension funds, mutual funds, non-banking, financial companies and other various intermediaries and entities.

PERFORMANCE BY SERVICE SECTOR

The services sector is projected to grow at 8.3 per cent in 2017-18, as against 7.7 per cent in 2016-17.

MACRO-ECONOMIC OVERVIEW

FY 2018 began in an uncertain environment with the economy coming to terms with the impact of demonetisation of Rs. 500 and Rs. 1,000 banknotes that came into effect on November 8, 2016. In the first quarter (April-June 2017), real GDP growth declined to 5.7% — the lowest in 12 successive quarters. The second quarter (July-September 2017) also saw disruption in economic activity on account of teething troubles that accompanied the nation-wide rollout of the Goods and Services Tax (GST). At 6.5%, while GDP growth in the second quarter was higher than the immediately previous one, it was nevertheless the third-lowest in 12 quarters. The third quarter, however, has shown a much needed uptick — posting 7.2% GDP growth vis-à-vis the same quarter in the previous year, and the highest that India saw in five successive quarters. Some believe that the economy has finally recovered and that the Nation is now set for higher growth. However, the second advance estimates of national income for FY 2018 released by the Central Statistics Office (CSO) on February 28, 2018 suggest quite the opposite. The CSO estimates real GDP growth for FY 2018 at 6.6%, which is 0.5% less than the 7.1% growth witnessed in FY 2017. Despite this lower growth forecast, there is a positive trend relating to investments. There seems to have been a relatively sharp growth in gross fixed capital formation (GFCF). Consequently, after falling for several years, the share of GFCF to GDP has finally risen to 31.4% for FY 2018. Although this is still less than what it needed to sustain a steady-state GDP growth of 7.5% to 8%, reversal of the downward trend should augur well for the economy. But that remains to be seen.

INDUSTRY STRUCTURE AND DEVELOPMENT

India's economic structure and growth make it an attractive market for NBFCs that can cater to the growing needs of both the banked customers as well as the under-served segment. The outstanding credit of NBFCs expanded at a compound annual growth rate (CAGR) of 19% since fiscal 2012, although this growth has not been uniform across segments. NBFCs have expanded their share in total credit extended by banks and NBFCs from 9.5% in March 2008 to 15.5% in March 2017.

(Source: RBI)

Industry aggregate gross non-performing assets (NPAs) of NBFCs stood at 4.4% vis-à-vis 9.3% of banks in FY 17. Additionally, industry aggregate Return on Assets (ROA) and Return on Equity (ROE) of NBFCs for FY 17 stood at 1.8% and 6.8% compared to 0.4% and 4.2% for banks.

(Source: RBI)

NBFCs

- NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. NBFCs aspire to emerge as a one-stop shop for all financial services.
- The sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future.
- New banking licence-related guidelines issued by RBI in early 2013 place NBFCs ahead in competition for licenses owing largely to their rural network.
- New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms and enhanced disclosure requirements are expected to benefit the sector in the long run.

BUSINESS OPERATIONS

During the year under review, the Company has generated total revenues for the financial year ended March 31, 2018 amounted to Rs. 2,710.54 Lakhs as compared to Rs. 691.69 Lakhs in the previous financial year. As per the Consolidated Accounts, the total revenues are Rs. [i%] Lakhs, as against the previous financial year's revenue of Rs. [i%] Lakhs. Net Profit for the financial year 2017-18 is amounted to Rs. 2,067.76 Lakhs as against Rs. 620.62 Lakhs in the previous financial year. As per the Consolidated Accounts, the net profit for the financial year 2017-18 is Rs. [i%] Lakhs as against the profit of Rs. [i%] Lakhs in the previous financial year.

OPPORTUNITIES AND THREATS

Opportunities

- Being part of the India's growth story.
- Digitalization in the economy.
- Financial inclusion.

Threats

- Global economy could slip into turmoil if the current trade and tariffs war between USA and China intensifies.
- Competition from the newer models of NBFCs.
- Handling post integration challenges.
- Attracting and retaining talent and training them for the right culture.

The Company is exposed to all risks & threats, which Financial Market & a Non Banking Finance Company faces. Unfavorable events in the Indian economy can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial services providers, unstable political environment and changes in Government policy / regulatory framework could impact the Company's operations.

OUTLOOK

NBFCs have steadily expanded their share of total credit in the country. They have developed innovative and customised financial products and solutions that are delivered efficiently to fulfill customer aspirations.

The implementation of various government initiatives to improve financial inclusion will further support the growth of NBFCs. With private consumption growing at a robust pace and a visible upswing in investments, NBFCs are well positioned to maintain their growth trajectory.

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2018-19.

RISK MANAGEMENT AND CONCERNS

Risk Management is an integral part of the Company's business strategy. In Today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes deployment of funds in specific projects, diversification into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities and other legal proceedings.

COMPLIANCE

An independent and comprehensive compliance structure addresses the Company's compliance and reputation risks. All key subsidiaries of the Company have an independent compliance function. The Compliance officials across the Group interact on various issues including the best practices followed by the respective companies.

The compliance framework, approved by the Board, broadly sets out the compliance risk management processes and tools to be used by businesses, management and compliance officers for managing its compliance risks. Apart from the Company's compliance framework, the Company and all the subsidiaries have their own compliance manuals. To meet with the changes in the regulatory environment, the Compliance will be rolling out shortly a new framework, which helps in obtaining confirmation from each of the business about its adherence to the various regulatory requirements. This framework would assist the management in determining the compliance risk of the Company. The compliance function is responsible for all aspects of regulatory compliance across the Company.

The Compliance team supports top management and manages and supervises the compliance framework alongwith providing compliance assistance to various businesses / support functions. The Compliance division works with business units to develop procedures to implement the requirements of the various regulations and policies. It also works closely with other support functions including the legal department and outside counsels. The Company uses the knowledge management system for monitoring new and changes in existing regulations. The Company also looks at regulatory websites and participates in industry working groups that discuss evolving regulatory requirements. Training on compliance matters is imparted to employees on an ongoing basis. The Compliance department keeps the management / Board informed about important compliance related matters through monthly, quarterly and annual compliance reviews.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control in all spheres of its activities which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects.

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically. Moreover, ACMS continuously upgrades these systems in line with the best available practices.

The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate.

Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

HUMAN RESOURCE:

The Company is having dedicated employees who help the Company in achieving its goals.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors has reviewed the Management Discussion and Analysis Report prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

INDEPENDENT AUDITOR'S REPORT

To the Members of
AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Report on the Standalone financial statements

We have audited the accompanying standalone financial statements of **M/s AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED** ("the company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, cash flow and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This 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 standalone 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 standalone 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 provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone financial statements.

Opinion

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

Emphasis of matter

Revenue from operations includes Rs 279 lacs as profit on sale of investments which has resulted from change of accounting policy of carrying partial disposal of investments at average carrying cost which is in line with AS-13.

The comparative financial information of the company for the year ended March 31, 2017 was audited by the predecessor auditor, who expressed an unmodified opinion on those financial information/ financial statement.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- As required by Section 143 (3) of the Act, we report that:
 - We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - The Balance Sheet as at March 31, 2018, Statement of Profit and Loss and the Cash Flow Statement, dealt with by this Report are in agreement with the books of account.
 - in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - on the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - 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, in our opinion and to the best of our information and according to the explanations given to us:

- (i) There are no pending litigations affecting financial position hence no disclosure is required to be made.
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
- (iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For Mohan Gupta & Company
Chartered Accountants
 Firm's Registration Number:-006519N

Place : New Delhi
 Date : 30.05.2018

CA Mohan Gupta
 Partner
 Membership Number-082466

Annexure-A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018, we report that:

- 1. a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- 1. b) According to the information and explanations given to us, fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- 1. c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the immovable properties are not held by the company.
- 2. The inventory (consisting shares and securities) has been verified during the year by the management. In our opinion, the frequency of verification is reasonable. There is no material discrepancy was noticed on verification. The shares held as stock in trade have been confirmed with the statement of holding of depository at the end of the year by the management. In case of securities acquired during the year for which settlement of delivery as per stock exchanges regulations has happened post March 31, 2018, the holding has been confirmed with statement of holding of depository for the period subsequent to March 31, 2018. In our opinion, the frequency of verification of holding is reasonable. No discrepancies have been noticed on verification between securities held as stock in trade as per the statement of holding and as per books of account.
- 3. The Company has granted unsecured loans to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are applicable to the Company.

(Amount in Rs.)

S. No.	Name of Parties	Opening Balance	Loan Given During the year	Repayment of Loan Given	Maximum Amount Outstanding	Closing Balance as on 31/03/2018
1	Yug Infrastructure Private Limited	-	62,00,000	22,00,000	40,00,000	40,00,000
2	North Square Projects Private Limited	-	1,50,00,000	-	1,50,00,000	1,50,00,000
3	Almondz Global Infra-Consultant Limited	-	9,49,50,000	-	9,49,50,000	9,49,50,000
4	Almondz Global Securities Limited	-	19,27,00,000	19,26,50,000	10,00,00,000	50,000
5	Apricot Infosoft Private Limited	-	1,00,00,000	-	1,00,00,000	1,00,00,000

- (a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the bodies corporate listed in the register maintained under section 189 of the act were not, prejudicial to the company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the act, the borrowers have been regular in the payment of the principal and interest as stipulated.
- (c) There are no overdue amounts for more than ninety days in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the act.
- 4. In our opinion and according to the information and explanations given to us, the company has given loan to its wholly owned subsidiaries to which provisions of section 185 and 186 of the Act are not applicable. The company has not provided any guarantee and security and it has complied with the provisions of section 186 of the Act to the extent applicable to it, with respect to the investments made.
- 5. According to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the order is not applicable to the company.
- 6. In our opinion, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, paragraph 3(vi) of the order is not applicable to the company.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

- 7 a). According to the information's and explanations given to us and the records of the company examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, sales tax, service tax, goods & services tax, value added tax, cess and other statutory dues with appropriate authorities and no statutory dues are outstanding for a period exceeding six months from the date they became payable.
- 7 b). According to the information's and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, service tax, goods & services tax, value added tax or cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not obtained any loan or borrowings from PFI and Banks. The company has not obtained any loan or borrowings from governments. Further the company does not have any debentures issued/outstanding at any time during the year.
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 Loans. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company.
10. In our opinion and according to the information and explanation given to us, no fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has paid or provided during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
13. According to the information's and explanations given to us and the records of the company examined by us, the company has complied all the provision of section 177 and 188 of the Companies Act, 2013 regarding the transaction with related parties. The company has disclosed all the transaction with related parties in financial statement.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to 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 is not applicable to the Company and hence not commented upon.
16. The Company is already registered under section 45-IA of the Reserve Bank of India Act, 1934

For Mohan Gupta & Company
Chartered Accountants
Firm's Registration Number:-006519N

CA Mohan Gupta
Partner
Membership Number-082466

Place : New Delhi
Date : 30.05.2018

Annexure - B to the Auditors' Report

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 AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 March 31, 2018, 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 Mohan Gupta & Company
Chartered Accountants
Firm's Registration Number:-006519N

CA Mohan Gupta

Partner

Place : New Delhi
Date : 30.05.2018

Membership Number-082466

Balance Sheet as at 31 March, 2018

(Amounts in Indian Rupees)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
I. EQUITY & LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2.1	24,92,17,131	24,92,17,131
(b) Reserves and surplus	2.2	72,84,53,910	52,16,77,810
		97,76,71,041	77,08,94,941
(2) Non-current liabilities			
(a) Long-term provisions	2.3	9,84,654	5,11,598
		9,84,654	5,11,598
(3) Current liabilities			
(a) Trade payable	2.4	86,499	78,125
(b) Other current liabilities	2.5	2,92,851	9,67,712
(c) Short-term provisions	2.6	91,491	1,20,284
		4,70,841	11,66,121
TOTAL		97,91,26,536	77,25,72,660
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
i) Tangible assets	2.7	49,562	65,451
ii) Intangible assets	2.7 (a)	97,152	-
(b) Non-current investments	2.8	62,15,80,913	71,40,71,114
(c) Deferred tax assets (net)	2.9	6,32,400	-
		62,23,60,027	71,41,36,565
(2) Current assets			
(a) Inventories	2.10	45,85,668	3,50,251
(b) Trade receivables	2.11	7,02,68,966	22,72,404
(c) Cash and cash equivalents	2.12	20,10,151	1,84,70,050
(d) Short-term loans and advances	2.13	26,40,51,820	3,51,48,327
(e) Other current assets	2.14	1,58,49,904	21,95,063
		35,67,66,509	5,84,36,095
TOTAL		97,91,26,536	77,25,72,660

Significant accounting policies 1

Notes to financial statements 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

CA Mohan Gupta
Partner
Membership No. - 082466

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Govind Prasad Agrawal
Director
DIN: 00008429

Sagar Gupta
Company Secretary
ACS: A42611

Swapan Guha
Chief Financial Officer
PAN: AFFPG3618G

Place: New Delhi
Date: 30 May 2018

Statement of Profit and Loss for the year ended 31 March 2018

(Amounts in Indian Rupees)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I Revenue from operations	2.15	27,08,72,769	6,87,86,553
II Other income	2.16	1,81,429	3,82,661
III Total revenue		27,10,54,198	6,91,69,214
IV Expenses			
Employee benefits expenses	2.17	28,71,645	25,94,515
Finance cost	2.18	-	5,55,666
Depreciation and Amortisation expenses	2.19	18,737	21,935
Other expenses	2.20	55,35,618	38,68,290
Total expenses		84,26,000	70,40,406
V Profit/ (loss) before tax expenses and exceptional items		26,26,28,198	6,21,28,808
VI Exceptional items			
Less : Prior Period (Income)/ Expense		5,750	-
VII Profit / (Loss) before tax		26,26,22,448	6,21,28,808
VIII Tax expense			
Current tax / MAT		5,64,63,000	55,000
Deffered tax		(6,32,400)	-
Current tax for previous year		15,748	11,483
IX Profit for the Year		20,67,76,100	6,20,62,325
X Earnings Per Equity Share	2.21		
Basic		8.06	2.42
Diluted		8.06	2.42

Significant accounting policies

1

Notes to financial statements

2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

CA Mohan Gupta

Partner

Membership No. - 082466

Ashok Kumar Gupta

Managing Director

DIN: 02590928

Govind Prasad Agrawal

Director

DIN: 00008429

Sagar Gupta

Company Secretary

ACS: A42611

Swapan Guha

Chief Financial Officer

PAN: AFFPG3618G

Place: New Delhi

Date: 30 May 2018

Cash Flow Statement for the year ended 31 March 2018

(Amounts in Indian Rupees)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash Flow from operating activities		
Net Profit before tax & extra-ordinary items	26,26,28,198	6,21,28,808
Adjusted for :		
Depreciation	18,737	21,935
Provision for retirement benefit	(88,180)	1,55,673
Bad debts written off	-	15,35,781
Loss/(Profit) on sale of investment	(25,21,23,757)	-
Interest received	(1,89,26,360)	(75,06,409)
Interest expense	-	5,55,666
Dividend income	-	(6,29,97,750)
Liability no longer require written back	(767)	-
Provision for non performing assets	15,00,000	-
Provision for standard assets	5,32,443	-
Operating Profit before working capital changes	(64,59,686)	(61,06,296)
Adjusted for net changes in working capital		
(Increase)/Decrease in stock in trade	(42,35,417)	49,03,450
(Increase)/Decrease in trade receivables	(6,79,96,562)	(22,69,116)
(Increase)/Decrease in other receivables	(1,36,54,841)	41,17,208
(Increase)/Decrease in short term loan & advances	(23,09,35,936)	-
Increase/(Decrease) in current liabilities and provisions	(1,33,277)	(1,59,56,469)
Cash flow before extra ordinary items and tax	(32,34,15,719)	(1,53,11,223)
Extra Ordinary and Prior Period Items	(5,750)	-
Taxes Paid	(5,64,78,748)	(66,483)
Net cash generated from/(used in) operating activities (A)	(37,99,00,217)	(15,377,706)
B. Cash Flow from investing activities		
Purchase of fixed assets	(1,00,000)	(68,988)
Purchase of investments	-	(10,42,01,737)
Dividend received	-	6,29,97,750
Interest received	1,89,26,360	75,06,409
Sale of investments	34,46,13,958	-
Net cash from/(used in) investing activities (B)	36,34,40,318	(3,37,66,566)
C. Cash flow from financing activities		
Proceeds from unsecured short term borrowings (net)	-	6,47,12,841
Interest Paid	-	(5,55,666)
Net cash generated from financing activities (C)	-	6,41,57,175
Cash and cash equivalents (Opening Balance)	1,84,70,050	34,57,147
Net cash inflows for the year (A+B+C)	(1,64,59,899)	1,50,12,903
Cash and cash equivalents (Closing Balance)	20,10,151	1,84,70,050
Notes		
1 The cash flow statement has been prepared as per the "Indirect method" in accordance with the Accounting Standard (AS) -3 on 'Cash Flow Statement', of the Companies (Accounting Standards) Rules, 2006.		
2 Cash and Cash equivalents include:		
Cash in hand	3,72,912	6,71,669
Balances with scheduled banks		
- on current account	16,37,239	1,77,98,381
Cash and cash equivalents (closing balance)	20,10,151	1,84,70,050
Add: Fixed deposits (with a maturity more than 90 days) placed	-	-
Cash and bank balances at the end of the year	20,10,151	1,84,70,050

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited

CA Mohan Gupta
Partner
Membership No. - 082466

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Govind Prasad Agrawal
Director
DIN: 00008429

Sagar Gupta
Company Secretary
ACS: A42611

Swapan Guha
Chief Financial Officer
PAN: AFFPG3618G

Place: New Delhi
Date: 30 May 2018

1.1 SIGNIFICANT ACCOUNTING POLICIES

1.2 Corporate Information

The Company was incorporated in **30th September 1991** and is presently listed on the Bombay Stock Exchange (BSE). The Company got registered as Non-Banking Finance Company (NBFC) with RBI dated 07-10-2008. The Company is in the business of providing Loans & Advances.

1.3 Basis of Accounting & Convention

The financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), to comply with the accounting standards specified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, relevant pronouncements of the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy either to in use.

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 schedule III of the Companies Act, 2013. Previous year's figures have been regrouped/ reclassified wherever considered necessary. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities

1.4 Use of Estimates:

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

1.5 Current/ Non-current classification

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

i) Assets

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

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

ii) Liabilities

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

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

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

iii) Operating cycle

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

1.6 Fixed Assets

i) Tangible assets

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

Depreciation on tangible assets

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

ii) Intangible assets and its amortisation

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

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

1.7 Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable

amount. Impairment losses are recognized in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization loss had been recognized.

1.8 Investments

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

- i) The cost is arrived at Average method and is inclusive of brokerage, transfer expenses & Demat Charges, if any. The fair value is arrived at with reference to the market value, if available, quotation in any stock exchange or any other available information to indicate a transaction between unrelated willing buyer & willing seller at arm's length price.

Profit or Loss on sale of investment is determined on the basis of the weighted average cost method. On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss

- ii) In case of unquoted investments, the fair value is arrived on the basis of break up value as per latest available audited balance sheet of the investee company.
- iii) Interest accrued and/or broken period interest paid on unsold securities is recognized as "Interest Accrued on Investment" under Other Current Assets.

1.9 Stock in trade

Securities acquired with the intention to trade are classified as Stock -in- trade. Stock-in-Trade of Securities is valued at lower of the cost or fair value. Cost is determined on First-in-First-Out (FIFO) basis.

1.10 Revenue Recognition

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

Income / revenue is generally accounted on accrual as they are earned except income from non-performing assets as defined

in the guidelines of the Reserve Bank of India on prudential norms for income recognition of Non Banking Financial Companies & penal interest on delayed payments which are accounted for on cash basis.

The income is deemed as earned:

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

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

1.11 Provision for standard and non-performing assets

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

1.12 Expenditure

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

Similarly, expenses allocation received from other companies is included within respective expense classifications.

1.13 Borrowing Cost

Interest on borrowings is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit & loss account.

1.14 Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

1.15 Employee benefits

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

(a) *Short term benefits*

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

(b) *Defined contribution plan*

Retirement / employee benefits in the form of Provident Fund, Employee State Insurance and Labour Welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due

(c) *Gratuity (Defined benefit plan)*

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

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

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

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

The Company provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, lying to the credit of employee as on the last day of financial year, subject to the maximum period of leave allowable as per HR policy of the company. The defined benefit obligation is calculated taking into account the pattern of an ailment of leave. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. However, company does not en-cash compensated absences.

1.16 Provisions and Contingent Liabilities

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

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

1.17 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are translated at year-end rates and resultant gains/losses on foreign exchange translations other than in relation to acquisition of fixed assets and long term foreign currency monetary liabilities are recognised in the Statement of Profit and Loss.

1.18 Current and deferred tax

Income-tax expense comprises current tax and deferred tax. Current tax expense is the amount of tax for the period determined in accordance with the income-tax law and deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

that is reasonably/virtually certain (as the case may be) to be realised.

1.19 Segment Reporting

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

liabilities in respective segments. Tax related assets, and other assets and liabilities that are not reported or cannot be allocated to a segment on a reasonable basis, have been disclosed as 'Unallocable'.

1.20 Assets on Operating Leases

Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective agreements.

1.21 Cash and Cash Equivalents

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

2.1 Share capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Authorised				
Equity shares of Rs. 10 each	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
Issued and subscribed				
Equity shares of Rs. 10 each (13,79,380 shares forfeited)	2,56,50,280	25,65,02,800	2,56,50,280	25,65,02,800
	2,56,50,280	25,65,02,800	2,56,50,280	25,65,02,800
Paid Up Capital				
Equity shares of Rs. 10 each, fully paid up	2,42,70,900	24,27,09,000	2,42,70,900	24,27,09,000
Add : 13,79,380 shares forfeited	13,79,380	65,08,131	13,79,380	65,08,131
	2,56,50,280	24,92,17,131	2,56,50,280	24,92,17,131

2.1 (a) Details of shareholders holding more than 5% shares of the Company

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Innovative Money Matters Private Limited	90,53,010	37.30	86,96,480	35.83
Veena Gases & Chemicals Private Limited	15,14,566	6.24	15,47,757	6.38
Dinkar Commercials Private Limited	-	-	14,02,680	5.78
Amarendra Financial Private Limited	-	-	12,93,995	5.33
Navjeet Singh Sobti	20,76,315	8.55	14,67,247	6.05
	1,26,43,891	52.09	1,44,08,159	59.36

The Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2018 and March 31, 2017 is set out below:

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	2,42,70,900	24,27,09,000	2,42,70,900	24,27,09,000
Add: Shares forfeited	13,79,380	65,08,131	13,79,380	65,08,131
Add: Issued during the year	-	-	-	-
Number of Shares at the end	2,56,50,280	24,92,17,131	2,56,50,280	24,92,17,131

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value Rs. 10 each. Each member of the Company has voting rights on a poll, in proportion to his share in the paid-up equity share capital. On show of hands every member present in person and being holders of equity shares shall have one vote.

Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved by the shareholders at Annual General Meeting.

In the event of liquidation of the Company, the holders of the 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 of the equity shares held by the shareholders.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

2.2 Reserves and surplus

Particulars	As at 31 March 2018	As at 31 March 2017
Share Premium		
At the beginning of the year	25,64,17,900	25,64,17,900
Add: Addition during the year	-	-
At the end of the year	25,64,17,900	25,64,17,900
Capital Reserve	7,44,48,968	7,44,48,968
Special reserve		
At the beginning of the year	3,19,18,409	1,95,05,944
Add: Addition during the year	4,13,55,220	1,24,12,465
At the end of period / year	7,32,73,629	3,19,18,409
(Deficit)/ surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	15,88,92,533	10,92,42,673
Add/ (less): Profit/ (loss) for the year	20,67,76,100	6,20,62,325
Less: Appropriations		
Special reserve (U/s 45-IC, RBI act, 1934)	4,13,55,220	1,24,12,465
Surplus carried from profit and loss account	32,43,13,413	15,88,92,533
	72,84,53,910	52,16,77,810

2.3 Long-term provisions

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits :		
- Gratuity	3,02,505	2,23,060
- Compensated absences	22,524	1,61,356
Other Provisions :		
Contingent provision on standard Assets	6,59,625	1,27,182
	9,84,654	5,11,598

2.4 Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables*	86,499	78,125
	86,499	78,125

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at 31 March 2018.

2.5 Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Expenses payable	29,354	2,01,372
Interest payable	-	5,00,100
Payable to employees	1,66,417	1,62,123
Statutory liabilities	97,080	1,04,117
	2,92,851	9,67,712

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED
Notes to Financial Statements
(Amounts in Indian Rupees)
2.6 Short-term provisions

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits :		
Gratuity	84,365	80,568
Compensated absences	7,126	39,716
	91,491	1,20,284

2.7 Tangible assets

Cost	As at 1 April 2016	Additions	Deletions	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Furniture and fixtures	79,920	-	-	79,920	-	-	79,920
Computers and peripherals	93,300	47,900	-	1,41,200	-	-	1,41,200
Office equipments	53,490	21,088	-	74,578	-	-	74,578
Total	2,26,710	68,988	-	2,95,698	-	-	2,95,698

Depreciation	As at 1 April 2016	Additions	Deletions	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Furniture and fixtures	79,920	-	-	79,920	-	-	79,920
Computers and peripherals	93,300	11,328	-	1,04,628	10,671	-	1,15,299
Office equipments	35,092	10,607	-	45,699	5,218	-	50,917
Total	2,08,312	21,935	-	230,247	15,889	-	2,46,136

Carrying amounts				As at 31 March 2017			As at 31 March 2018
Furniture and fixtures				-			-
Computers and peripherals				36,572			25,901
Office equipments				28,879			23,661
Total				65,451			49,562

2.7 (a) Intangible assets

Cost	As at 1 April 2016	Additions	Deletions	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Computers Software	-	-	-	-	1,00,000	-	1,00,000
Total	-	-	-	-	1,00,000	-	1,00,000

Depreciation	As at 1 April 2016	Additions	Deletions	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Computers Software	-	-	-	-	2,848	-	2,848
Total	-	-	-	-	2,848	-	2,848

Carrying amounts				As at 31 March 2017			As at 31 March 2018
Computers Software				-			97,152
Total				-			97,152

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

2.8 Non- current Investments (valued at cost unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
I. Other than Trade Investments		
(A) Investment in Subsidiaries - (Equity Shares)		
(i) Quoted		
Almondz Global Securities Ltd 1,47,19,744 (previous year 1,39,19,744) equity shares of Rs. 6 each fully paid up	38,02,84,855	35,88,85,656
Total	38,02,84,855	35,88,85,656
(ii) Unquoted		
Almondz Infosystem Private Limited 50,000 (previous year 50,000) equity shares of Rs.10 each fully paid up	5,00,000	5,00,000
Red Solutions Private Limited 50,000 (previous year 50,000) equity shares of Rs.10 each fully Paid up	25,000	25,000
Latitude 23 Communications Ltd. 1,84,900 (previous year 1,84,900) equity shares of Rs.10 each fully Paid up	9,91,780	9,91,780
Almondz Insurance Brokers Private Limited Nil (previous year 13,77,000) equity shares of Rs.10 each fully paid up	-	11,38,89,400
Glow Apparels Private Limited 27,50,000 (previous year 27,50,000) equity shares of Rs.10 each fully paid up	2,77,50,000	2,77,50,000
Avonmore Developer Private Limited 85,00,000 (previous year 85,00,000) equity shares of Rs.10 each fully Paid up	8,50,00,000	8,50,00,000
Anemone Holdings Private Limited 10,000 (previous year 10,000) equity shares of Rs.10 each fully paid up	1,00,000	1,00,000
Apricot Infosoft Private Ltd. 30,00,000 (previous year 30,00,000) equity shares of Rs.10 each fully paid up	3,00,00,000	3,00,00,000
Shivsathi Niketan Ltd. 26,000 (previous year 26,000) equity shares of Rs.10 each fully paid up	2,60,000	2,60,000
	14,46,26,780	25,85,16,180
Less: Diminution in the value of investment	(6,00,000)	(6,00,000)
Total	14,40,26,780	25,79,16,180
TOTAL (A)	52,43,11,635	61,68,01,836
(B) Investment in Subsidiaries - (Preference Shares)		
(i) Unquoted		
Red Solutions Private Limited 9,60,000 (previous year 9,60,000) 5% non- cumulative redeemable preference shares of Rs.100 each fully Paid up	9,60,00,000	9,60,00,000
Total (B)	9,60,00,000	9,60,00,000

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
(C) Investment in Others (Equity Shares / others)		
(i) Unquoted		
Globus Industries & Services Ltd. 10,000 (previous year 10,000) equity shares of Rs.10 each fully Paid up	1,00,000	1,00,000
Shiivaz Spas & Hospitality Private Limited 20,000 (previous year 20,000) equity shares of Rs.10 each fully Paid up	2,00,000	2,00,000
	3,00,000	3,00,000
Less: Diminution in the value of investment	(2,13,700)	(2,13,700)
TOTAL (C)	86,300	86,300
(D) Investment in Government Securities		
National Savings Certificate	23,000	23,000
Less: Diminution in the value of investment	(23,000)	(23,000)
TOTAL (D)	-	-
(E) Investment in Paintings & Sculpture		
Painting & Sculpture	11,82,978	11,82,978
TOTAL (E)	11,82,978	11,82,978
Total (A+B+C+D+E)	62,15,80,913	71,40,71,114
Aggregate market value of quoted investment	34,00,26,086	24,63,79,469
Aggregate book value of quoted investment	38,02,84,855	35,88,85,656
Aggregate book value of unquoted investment	24,01,13,080	35,40,02,480

2.9 Deferred tax assets

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax asset		
(a) Provision for employee benefits	3,22,040	-
(b) Difference in the written down value of fixed assets as per the Companies Act, 2013 and the Income Tax Act, 1961	1,20,124	-
(c) Provision for Contingent provision	1,90,236	-
Gross deferred tax asset	6,32,400	-
Net deferred tax asset/(liability)	6,32,400	-

2.10 Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
Equity Shares - quoted	45,85,668	3,50,251
	45,85,668	3,50,251

Inventories valued at lower of cost and net realisable value unless otherwise stated.

Break-up of Inventories held as at 31 March 2018 is as follows:

Particulars	No.	Amount
Quoted Shares		
Elder Pharmaceuticals Ltd.	200	1
Firstsource Solutions Ltd	5,000	2,65,000
IL&FS Investment Managers Ltd.	25,000	4,27,500
Indiabulls Real Estate Ltd.	5,000	9,05,500
Shaily Engineering Pvt. Ltd.	2,443	29,87,667
	37,643	45,85,668

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

Break-up of Inventories held as at 31 March 2017 is as follows:

Particulars	No.	Amount
Quoted Shares		
Mercator lines	7,500	3,50,250
Elder Pharmaceuticals Limited	200	1
	7,700	3,50,251

2.11 Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017
Considered good		
- Outstanding for more than six months	-	-
- other debts	7,02,68,966	22,72,404
	7,02,68,966	22,72,404
Less: Provision for doubtful debts	-	-
	7,02,68,966	22,72,404

2.12 Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Cash in Hand	3,72,912	6,71,669
Balances with scheduled banks:		
- on current accounts	16,37,239	1,77,98,381
	20,10,151	1,84,70,050

2.13 Short-term loans and advances

Particulars	As at 31 March 2018	As at 31 March 2017
Loans and advances to related Party		
Unsecured, considered good	13,42,00,000	-
	13,42,00,000	-
Loans and advances to other		
Unsecured, considered good	12,96,50,000	3,40,00,000
Less Provision for non-performing assets	15,00,000	-
	12,81,50,000	3,40,00,000
	26,23,50,000	3,40,00,000
Advances recoverable in cash or in kind or for value to be received		
Loan to employee	1,80,000	1,45,000
Advance to others	-	4,470
Balance with tax authorities	1,25,356	5,98,027
Income tax refund (net of provision of Tax)	13,66,983	4,00,830
Prepaid expenses	29,481	-
	26,40,51,820	3,51,48,327

2.14 Other current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Interest accrued and due on loans- others	9413,789	2337,666
Less: Provision for non performing assets	503,178	142,603
	8910,611	2195,063
Interest accrued but not due on loans- others	6939,293	-
	6939,293	-
	15849,904	2195,063

2.15 Revenue from operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A) Interest Income		
Interest on Loans	1,92,86,935	75,06,409
Less: Interest reversed on Non performing assets	3,60,575	-
	1,89,26,360	75,06,409
B) Net Income from Trading of Shares and Securities		
(i) Opening Stock of Shares	3,50,251	52,53,701
Add: Purchase of Shares	3,57,56,396	3,66,44,454
	3,61,06,647	4,18,98,155
Less: Closing Stock of Shares	45,85,668	350,251
Cost of Shares sold	3,15,20,979	4,15,47,904
Less : Sale of Shares	3,05,27,679	4,11,67,862
	(9,93,300)	(3,80,042)
(ii) Profit/(Loss) on Intraday	(1,18,172)	(18,105)
(iii) Profit/(Loss) on derivatives	(18,18,225)	(13,88,560)
(iv) Opening Stock of bonds	-	-
Add: Purchase of bonds	8,60,00,000	50,54,900
Add: Broken period interest	31,30,459	117,575
	8,91,30,459	51,72,475
Less: Closing Stock of bonds	-	-
Cost of bonds sold	8,91,30,459	51,72,475
Less : Sale of bonds	8,60,00,000	51,24,000
Less : Interest Earned Secondary	58,79,808	1,17,576
	27,49,349	69,101
Total (i+ii+iii+iv)	(1,80,348)	(17,17,606)
C) Other operating income		
Dividends received from subsidiary	-	6,29,97,750
Dividends received from others	3,000	-
Profit on Sale of Investments	25,21,23,757	-
	25,21,26,757	6,29,97,750
Total Operating Income (A+B+C)	27,08,72,769	6,87,86,553

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

2.16 Other income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest on income tax refund	-	2,00,165
Excess provision on employee retirement benefit written back	1,71,422	-
Excess provision of contingent asset written back	-	1,38,027
Liability no longer require written back	767	36,539
Miscellaneous income	9,240	7,930
	1,81,429	3,82,661

2.17 Employee benefits expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, bonus and other allowances	26,95,800	23,31,107
Provision for Leave Encashment	-	26,651
Provision for Gratuity	83,242	1,29,022
Staff welfare	19,141	37,479
Contribution to provident and other funds	73,462	70,256
	28,71,645	25,94,515

2.18 Finance cost

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest expense	-	5,55,666
	-	5,55,666

2.19 Depreciation & Amortisation expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation on:		
Tangible Assets	15,889	21,935
Intangible Assets	2,848	-
	18,737	21,935

2.20 Other expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Legal and professional charges	16,76,710	8,76,300
Auditors' remuneration	2,11,250	95,000
Rates,fee and taxes	2,08,653	5,11,060
Printing and stationery	1,98,708	2,06,785
Communication expenses	1,23,520	1,49,150
Miscellaneous expenses	8,214	5,549
Membership & subscription	4,40,750	3,50,000
Provision for Non performing assets	15,00,000	-
Bad debts written off	-	15,35,781
Contingent provision on Standard Asset	5,32,443	-
Travelling and conveyance	1,23,330	1,18,110
Expenditure on CSR Activities	4,80,000	-
Bank Charges	32,040	20,555
	55,35,618	38,68,290
¹ Auditor's remuneration (excluding service tax)	Year ended 31 March 2018	Year ended 31 March 2017
Statutory Auditors		
Statutory audit fee	2,11,250	95,000
Tax Audit Fee	25,000	20,000
Other Services	56,600	1,65,500
	2,92,850	2,80,500

2.21 Earnings per share

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
a) Net Profit After Tax available for Equity Shareholders	20,67,76,100	6,20,62,325
b) Weighted average number of Equity Shares for Basic EPS	2,56,50,280	2,56,50,280
c) Weighted average number of Equity Shares for Diluted EPS	2,56,50,280	2,56,50,280
d) Basic earning per share (Rs.)	8.06	2.42
e) Diluted earning per share (Rs.)	8.06	2.42

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

2.22 Details of Subsidiaries at the end of the year in compliance to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

S. No.	1	2	3	4	5	6	7	8
Name of subsidiary	Almondz Infosystem Private Limited	Latitude 23 Communication Limited	Red Solutions Private Limited	Almondz Global Securities Limited	Avonmore Developers Private Limited	Glow Apparels Private Limited	Apricot Infosoft Private Limited	Anemone Holdings Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period	Not applicable since same accounting period
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company	Not applicable since not a foreign company
Share capital	5,00,000	18,49,000	9,95,00,000	15,53,09,802	8,50,00,000	2,77,50,000	3,00,00,000	1,00,000
Reserve & surplus	15,645	(15,84,210)	(16,20,388)	1,09,91,00,930	(11,67,444)	(6,60,963)	(5,00,694)	(52,891)
Total assets	5,20,145	270,291	20,73,38,995	1,61,40,90,606	8,38,53,056	2,70,99,037	3,97,22,525	31,72,34,552
Investments	-	-	-	68,96,78,570	8,36,65,280	2,68,92,330	2,95,00,000	31,71,75,443
Turnover (Includes Other Income)	30,121	-	51,534	39,96,53,919	25,000	12,500	2,17,918	-
Profit before taxation	10,878	(12,538)	(1,322)	2,19,85,369	(39,348)	(10,704)	(22,044)	(7,886)
Provision for taxation	1,282	-	6,795	(12,01,069)	-	-	-	-
Profit after taxation	9,596	(12,538)	(8,117)	2,31,86,438	(39,348)	(10,704)	(22,044)	(7,886)

Note: Since, investment in Shivsathi Niketan Limited is of temporary nature, accordingly no data related to this enterprises produced here.

2.23 Disclosures required under AS-15 - Employee Benefits

The company has a defined benefit gratuity plan. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation of leave encashment is recognized in the same manner as gratuity.

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

Particulars	Gratuity		Leave Encashment	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Opening defined benefit obligation	3,74,385	2,41,067	2,00,584	1,74,421
Interest cost	24,139	18,819	12,583	12,331
Current service cost	80,568	63,115	26,539	21,692
Benefits paid	-	-	-	-
Actuarial (gain)/loss on obligation	(59,953)	51,384	(21,146)	(7,860)
Past service cost	42,833	-	(1,88,910)	-
Closing defined benefit obligation	4,61,972	3,74,385	29,650	2,00,584

ii) Changes in the fair value of plan assets are as follows:

Particulars	Gratuity		Leave Encashment	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Opening fair value of plan assets	70,757	66,461	-	-
Expected return	5,704	2,789	-	-
Contributions by employer	-	-	-	-
Actuarial gain/(losses)	(1,359)	1,507	-	-
Closing fair value of plan assets	75,102	70,757	-	-

iii) Profit and Loss account

Particulars	Gratuity		Leave Encashment	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Current service cost	80,568	63,115	26,539	21,692
Interest cost	24,139	18,819	12,583	12,331
Expected return on plan assets	(5,704)	(2,789)	-	-
Actuarial gain/(losses)	(58,594)	49,877	(21,146)	(7,860)
Recognised Past service cost	42,833	-	(1,88,910)	-
Net benefit expense	83,242	1,29,022	-	-
Actual return on plan assets	2,674	65,907	(1,70,934)	26,163

iv) Balance sheet

Particulars	Gratuity		Leave Encashment	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Defined benefit obligation	4,61,972	3,74,385	2,00,584	1,74,421
Fair value of plan assets	75,102	70,757	-	-
Employee benefit expenses	-	-	(1,70,934)	26,163
Employer Contribution	-	-	-	-
Plan Liability/(Asset)	3,86,870	3,03,628	29,650	2,00,584

Liability in respect of leave encashment at the end of the current year amounts to Rs. 29,650/-

v) Actuarial Assumptions

Particulars	Gratuity		Leave Encashment	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Mortality table (LIC)	(2006-08)	(2006-08)	(2006-08)	(2006-08)
Discount rate	7.55%	7.00%	7.55%	7.00%
Expected rate of return on plan assets	7.83%	7.00%	N.A.	N.A.
Withdrawal rates for all ages	11.00%	11.00%	11.00%	11.00%
Rate of escalation in salary per annum	7.50%	7.50%	7.50%	7.50%

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

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2.24 Segment Reporting

For the year ended 31 March 2018

Particulars	Fees and Commission	Income from Investments activities	Debt & Equity Market Operations	Finance activities	Unallocable	Total
Segment Revenue						
Gross Segment Revenue	-	25,21,23,757	(1,77,348)	1,91,07,789	-	27,10,54,198
Less : Inter Segment Adjustment	-	-	-	-	-	-
Net Segment Revenue	-	25,21,23,757	(1,77,348)	1,91,07,789	-	27,10,54,198
Segment Results						
Segment Result before Extra-ordinary Items	-	25,21,23,757	(1,77,348)	1,07,00,526	(18,737)	26,26,28,198
Prior Period Expenses/(Income)	-	-	-	-	5,750	5,750
Profit before Tax	-	25,21,23,757	(1,77,348)	1,07,00,526	(24,487)	26,26,22,448
Less : Provision for Tax	-	-	-	-	5,58,46,348	5,58,46,348
Profit after Tax	-	25,21,23,757	(1,77,348)	1,07,00,526	(5,58,70,835)	20,67,76,100
Other Information						
Segment Assets	-	67,96,42,176	1,59,93,371	27,84,09,385	50,81,604	97,91,26,536
Segment Liabilities	-	-	-	13,39,642	1,15,853	14,55,495
Capital Expenditure	-	-	-	-	-	-
Depreciation	-	-	-	-	18,737	18,737
Non cash expenditure other than depreciation (net of non-cash income)	-	-	-	-	-	-

For the year ended 31 March 2017

Particulars	Fees and Commission	Income from Investments activities	Debt & Equity Market Operations	Finance activities	Unallocable	Total
Segment Revenue						
Gross Segment Revenue	-	6,29,97,750	(15,91,018)	75,06,409	3,82,661	6,92,95,802
Less : Inter Segment Adjustment	-	-	-	-	-	-
Net Segment Revenue	-	6,29,97,750	(15,91,018)	75,06,409	3,82,661	6,92,95,802
Segment Results						
Segment Result before Extra-ordinary Items	-	6,29,97,750	(17,11,540)	69,50,743	(61,08,145)	6,21,28,808
Prior Period Expenses/(Income)	-	-	-	-	-	-
Profit before Tax	-	6,29,97,750	(17,11,540)	69,50,743	(61,08,145)	6,21,28,808
Less : Provision for Tax	-	-	-	-	66,483	66,483
Profit after Tax	-	6,29,97,750	(17,11,540)	69,50,743	(61,74,628)	6,20,62,325
Other Information						
Segment Assets	-	73,15,49,588	3,50,251	3,62,13,793	44,59,028	77,25,72,660
Segment Liabilities	-	-	-	7,31,399	9,46,320	16,77,719
Capital Expenditure	-	-	-	-	68,988	68,988
Depreciation	-	-	-	-	21,935	21,935
Non cash expenditure other than depreciation (net of non-cash income)	-	-	-	(1,38,027)	1,19,134	(18,893)

- Primary Business Segments: The Company's business segments have been classified as above. This business segregation forms the basis for review of operating performance by the management.
- Fees and Commission activities comprises of broking/ commission/ underwriting/ arranger fees mainly in the nature of services involving no or negligible financial risk.
- Income from Investments activities comprises of dividend received , interest on Fixed Deposits, Profit on sale of Investment.
- Debt & Equity market Operations include profit on trading activities.
- Finance activities include Interest income on loan given.
- The accounting policies of the segments are the same, to the extent possible, as those described in the summary of significant accounting policies as referred to in 'Note 1' to the accounts.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

2.25 Related Party Disclosures

(A) Names of related parties & description of relationship:

(i) Subsidiaries (Entities with which control relationship exists)

- a) Almondz Infosystem Private Limited (AIPL)
- b) Latitude 23 Communication Limited (Latitude)
- c) Willis Towers Watson India Insurance Brokers Private Limited * (upto 06 July 2017)
- d) Almondz Global Securities Limited (AGSL)
- e) Avonmore Developers Private Limited (ADPL)
- f) Shivsathi Niketan Limited (SNL)
- g) Apricot Infosoft Private Limited (APIPL)
- h) Anemone Holdings Private Limited (AHPL)
- i) Glow Apparels Private Limited (GAPL)
- j) Red Solutions Private Limited (RSPL)
- k) North Square Projects Private Limited (Subsidiary of AGSL)
- l) Almondz Global Infra-Consultant Limited (Subsidiary of AGSL)

* Willis Towers Watson India Insurance Brokers Private Limited earlier known as Almondz Insurance Brokers Private Limited

(ii) Associates

- a) Yug Infrastructure Private Limited
- b) Shii vaz Spas & Hospitality Private Limited
- c) Carya Chemicals and Fertilizers Private Limited

(iii) Investing parties in respect of which company is as associate.

- a) Innovative Money Matters Private Limited (IMMPL)

(iii) Key Managerial Personnel:

- a) Mr. Ashok Kumar Gupta - Managing Director
- b) Mr. Sagar Gupta - Company Secretary
- c) Mr. Swapan Guha - Chief Financial Officer

Particulars	YUG	NORTH	AGICL	AGSL	AIPL	GAPL	LATITUDE	APIPL
Income								
Interest received	122,795	4,932	23,83,582	15,14,153	-	-	-	2,18,219
Sale of investments	-	-	-	-	-	-	-	-
Sale of bonds	-	1,72,69,192	-	-	-	-	-	-
Expenditure								
Delay payment charges paid	-	-	-	52,709	-	-	-	-
Depository charges paid	-	-	-	15,851	-	-	-	-
Brokerage paid	-	-	-	4,58,944	-	-	-	-
Purchase of securities	-	-	-	2,26,26,637	-	-	-	-
Assets / Liabilities								
Transaction during the year								
Loans granted	62,00,000	1,50,00,000	9,49,50,000	19,27,00,000	-	-	-	1,00,00,000
Repayment of loans granted	22,00,000	-	-	19,26,50,000	-	-	-	-
Advances given	-	-	-	2,00,000	370	-	-	-
Advances given repayment	-	-	-	2,00,000	370	-	-	-
Interest Receivable	1,22,795	4,932	23,83,582	15,14,153	-	-	-	2,18,219
Repayment of Interest receivable	-	493	2,38,358	1,51,415	-	-	-	21,822
Investment made	-	-	-	-	-	-	-	-
Closing balances as on 31.03.18								
Non-Current Investment	-	-	-	38,02,84,855	5,00,000	2,77,50,000	9,91,780	3,00,00,000
Advances given	-	-	-	-	-	-	-	-
Interest Receivable	1,22,795	4,439	21,45,224	13,62,738	-	-	-	1,96,397
Loans given	40,00,000	1,50,00,000	9,49,50,000	50,000	-	-	-	1,00,00,000
Sundry debtors	-	-	-	1,45,27,135	-	-	-	-

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED
Notes to Financial Statements
(Amounts in Indian Rupees)

(i) Transactions with subsidiaries, associates and key managerial personnel (contd.)

Particulars	AHPL	ADPL	SNL	SSPL	RSPL	Ashok Kumar Gupta	Sagar Gupta	Swapan Guha
Income								
Interest received	76,932	-	-	-	1,436,104	-	-	-
Sale of investments	5,80,61,263	-	-	-	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-	-
Expenditure								
Remuneration	-	-	-	-	-	20,18,400	3,68,400	2,83,250
Assets / Liabilities								
Transaction during the year								
Loans granted	8,00,000	-	-	-	5,27,00,000	-	-	-
Repayment of loans granted	-	-	-	-	4,25,00,000	-	-	-
Advances given	-	-	-	-	5,39,590	-	-	-
Advances given repayment	-	-	-	-	5,39,590	-	-	-
Interest Receivable	76,932				14,36,104			
Repayment of Interest receivable	7,694				1,43,610			
Purchase of Investments	-	-	-	-	-	-	-	-
Closing balances as on 31.03.18								
Non-Current Investment	1,00,000	8,50,00,000	2,60,000	2,00,000	9,60,25,000	-	-	-
Loans given	8,00,000	-	-	-	1,02,00,000	-	-	-
Interest Receivable	69,238	-	-	-	12,92,494	-	-	-
Sundry debtors	5,80,61,263	-	-	-	-	-	-	-

For the year ended 31 March 2017

(ii) Transactions with subsidiaries, associates and key managerial personnel:

Particulars	AIBPL	NORTH	AGICL	AGSL	AIPL	GAPL	LATITUDE	APIPL
Income								
Dividend	6,29,97,750	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	6,12,715	-	-
Sale of bonds	-	-	-	-	-	-	-	-
Expenditure								
Remuneration	-	-	-	-	-	-	-	-
Delay payment charges paid	-	-	-	1,20,522	-	-	-	-
Depository charges paid	-	-	-	6,056	-	-	-	-
Brokerage paid	-	-	-	3,18,815	-	-	-	-
Assets / Liabilities								
Loans granted	-	-	-	-	-	5,00,000	-	-
Repayment of loans granted	-	-	-	-	-	71,00,000	-	-
Advances received	-	-	-	-	25,510	-	-	-
Advances repaid	-	-	-	-	-	-	-	-
Advances given	-	-	-	-	-	-	-	-
Advances given repayment	-	-	-	-	-	-	-	-
Investment made	-	-	-	-	-	77,50,000	-	-
Closing balances								
Non-Current Investment	11,38,89,400	-	-	35,88,85,656	500,000	2,77,50,000	9,91,780	3,00,00,000
Advances given	-	-	-	-	-	-	-	-
Sundry debtors	-	-	-	-	-	-	-	-

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

(ii) Transactions with subsidiaries, associates and key managerial personnel (contd..)

Particulars	AHPL	ADPL	SNL	SSPL	RSPL	Ashok Kumar Gupta	Sagar Gupta	Swapan Guha
Income								
Dividend	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	37,12,352	-	-	-
Sale of bonds	-	-	-	-	-	-	-	-
Expenditure								
Remuneration	-	-	-	-	-	17,86,900	2,53,964	1,12,115
Brokerage paid	-	-	-	-	-	-	-	-
Assets / Liabilities								
Loans granted	-	-	-	-	-	-	-	-
Repayment of loans granted	-	-	-	-	-	-	-	-
Advances given	-	-	-	-	-	-	-	-
Advances given repayment	-	-	-	-	-	-	-	-
Purchase of Investments	-	-	-	-	-	-	-	-
Closing balances								
Non-Current Investment	1,00,000	8,50,00,000	2,60,000	2,00,000	9,60,25,000	-	-	-
Advances given	-	-	-	-	-	-	-	-
Sundry debtors	-	-	-	-	-	-	-	-

2.26 Corporate Guarantee

Particulars	As at 31 March 2018	As at 31 March 2017
Corporate Guarantee to Axis Bank for working capital limits to Almondz Global Securities Limited.	1,27,50,00,000	77,50,00,000

2.27 Statement of quantitative details for closing stock of shares/ securities held as stock in trade on the last day of the reporting year is as follows :

As On 31.03.2018

Particulars	Quantity (Nos.)	Cost of Securities (As per FIFO method) (A) (in Rs.)	Market/Fair value of Securities (B) (in Rs.)	Closing Stock as on 31st March, 2018 (Lower of A or B) (in Rs.)
Quoted Shares				
Elder Pharmaceuticals Ltd.	200	53,600	1	1
Firstsource Solutions Ltd	5,000	2,48,575	2,65,000	2,65,000
IL&FS Investment Managers Ltd.	25,000	7,48,969	4,27,500	4,27,500
Indiabulls Real Estate Ltd.	5,000	11,06,991	9,05,500	9,05,500
Shaily Engineering Pvt. Ltd.	2,443	29,66,245	29,87,667	29,87,667
Total	37,643	51,24,380	45,85,668	45,85,668

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Financial Statements

(Amounts in Indian Rupees)

As On 31.03.2017

Particulars	Quantity (Nos.)	Cost of Securities (As per FIFO method) (A) (in Rs.)	Market/Fair value of Securities (B) (in Rs.)	Closing Stock as on 31st March, 2017 (Lower of A or B) (in Rs.)
Quoted Shares				
Elder Pharmaceuticals Ltd.	200	53,600	1	1
Mercator Ltd.	7,500	3,53,700	3,50,250	3,50,250
Total	7,700	4,07,300	3,50,251	3,50,251

As per our report of even date attached.

For Mohan Gupta & CO.

Chartered Accountants

Firm Registration No. 006519N

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

CA Mohan Gupta

Partner

Membership No. - 082466

Ashok Kumar Gupta

Managing Director

DIN: 02590928

Govind Prasad Agrawal

Director

DIN: 00008429

Sagar Gupta

Company Secretary

ACS: A42611

Swapan Guha

Chief Financial Officer

PAN: AFFPG3618G

Place: New Delhi

Date: 30 May 2018

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of
AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of **M/s AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED** (hereinafter referred to as "the holding company"), and its subsidiaries (the holding company and its subsidiaries together referred to as "the group"), which comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss, consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the companies act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated cash flow and consolidated financial performance of the group in accordance with the accounting principles generally accepted in India, including the companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014 and the companies (Accounting Standards) Amendment Rules, 2016.

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 of 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 Consolidated 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 financial statements by the directors of the company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Consolidated 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31 March 2018, their consolidated cash flow and their consolidated **Profit** for the year ended on that date.

Emphasis of Matter

Revenue from operations includes Rs 279 lacs as profit on sale of investments which has resulted from change of accounting policy of carrying partial disposal of investments at average carrying cost which is in line with AS-13.

The comparative financial information of the company for the year ended 31st March 2017 was audited by the predecessor auditor, who expressed an unmodified opinion on those financial information/ financial statement.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements and other financial information, in respect of 1 subsidiary, whose financial statements reflects total assets of Rs. 2,70,290/- as at 31 March, 2018, total revenues of Rs.Nil and net cash flows amounting to Rs. (11,795)/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the group's share of net profit of Rs. 2,42,95,083/- for the year ended March 31, 2018 as considered in the consolidated financial statements, in respect of 2 associate, whose financial statements have not been audited by us. These financial statement have been audited by other auditors whose reports have been furnished to us by the management and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the auditors.

Our opinion on consolidated financial statements, and our report on other legal and regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statement certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on separate financial statements and the other financial information of subsidiaries. We report, to the extent applicable, that:
 - a. We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept by the Company so far as appears from our examination of those books.
 - c. The consolidated Balance Sheet as at March 31, 2018, consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement, dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting principles generally accepted in India including the companies (Accounting Standards) Rules 2006 (as amended) specified under Section 133 of the Act, read with companies (Accounts) Rule 2014, and the companies (Accounting Standards) Amendment Rules, 2016;
 - 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 of the company, none of the directors of the Group's companies is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Company and its subsidiary companies, refer to our separate report in "Annexure A".
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigation on its consolidated financial position of the group and its associates in note no. 2.27 of consolidated financial statement.
 - (ii) Provision has been made in the consolidated financial statement, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts in notes to accounts of consolidated financial statement.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company, its subsidiaries and associates during the year ended March 31, 2018.

For Mohan Gupta & Company
Chartered Accountants
Firm's Registration Number:-006519N

CA Mohan Gupta
Partner
Membership Number-082466

Place: New Delhi
Date: 30.05.2018

Annexure - A to the Independent Auditors' Report

Report on the Internal Financial Controls 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 AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED (hereinafter referred to as the "holding company") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiary companies, are 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to these consolidated financial statements 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, both, 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. 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these consolidated financial statements, 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

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

judgment, including the assessment of the risks of material misstatement of the consolidated 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 internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 Consolidated 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 Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with references to these consolidated financial statements 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, and its subsidiary companies, have, maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31 March 2018, 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.

Other Matter

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the company, in so far as it relates to these 1 subsidiary company, is based on the corresponding reports of the auditors of such subsidiaries.

For Mohan Gupta & Company

Chartered Accountants
Firm's Registration Number:-006519N

CA Mohan Gupta

Partner

Membership Number-082466

Place: New Delhi

Date: 30.05.2018

Consolidated Balance Sheet as at 31 March, 2018

(Amounts in Indian Rupees)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
I. EQUITY & LIABILITIES			
(1) Shareholders' funds			
a) Share capital	2.1	24,92,17,131	24,92,17,131
b) Reserves and surplus	2.2	1,09,13,49,619	82,48,92,747
		1,34,05,66,750	1,07,41,09,878
(2) Minority Interest		56,85,53,905	58,02,07,558
(3) Non-current liabilities			
a) Long-term borrowings	2.3	11,02,35,866	14,18,92,813
b) Other long-term liabilities	2.4	12,40,775	11,39,003
c) Long-term provisions	2.5	99,53,818	1,10,28,991
		12,14,30,459	15,40,60,807
(4) Current liabilities			
a) Short-term borrowings	2.6	8,07,17,211	14,74,92,199
b) Trade payables	2.7	3,66,36,281	2,19,44,683
c) Other current liabilities	2.8	28,10,23,225	20,15,02,126
d) Short-term provisions	2.9	82,89,476	31,27,512
		40,66,66,193	37,40,66,520
TOTAL		2,43,72,17,307	2,18,24,44,763
II. ASSETS			
(1) Non-current assets			
a) Fixed assets			
i) Tangible assets	2.10	36,56,37,090	34,69,82,447
ii) Intangible assets	2.11	49,61,728	33,44,392
iii) Goodwill on consolidation		28,73,950	28,73,950
iv) Capital work-in-progress		-	1,74,87,662
b) Non-current investments	2.12	45,94,10,590	46,52,59,606
c) Deferred tax assets (net)	2.13	1,80,33,493	99,41,875
d) Long-term loans and advances	2.14	6,47,66,546	7,13,22,674
e) Other non-current assets	2.15	6,09,35,234	4,54,94,051
		97,66,18,631	96,27,06,657
(2) Current assets			
a) Inventories	2.16	13,43,78,910	10,67,82,259
b) Trade receivables	2.17	21,71,01,536	22,17,95,895
c) Cash and cash equivalents	2.18	28,58,80,818	22,27,66,230
d) Short-term loans and advances	2.19	72,54,42,523	60,84,56,717
f) Other current assets	2.20	9,77,94,889	5,99,37,005
		1,46,05,98,676	1,21,97,38,106
TOTAL		2,43,72,17,307	2,18,24,44,763

Significant accounting policies 1

Notes to financial statements. 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited

CA Mohan Gupta

Partner

Membership No. - 082466

Ashok Kumar Gupta

Managing Director

DIN: 02590928

Govind Prasad Agrawal

Director

DIN: 00008429

Sagar Gupta

Company Secretary

ACS: A42611

Swapan Guha

Chief Financial Officer

PAN: AFFPG3618G

Place: New Delhi

Date: 30 May 2018

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(Amounts in Indian Rupees)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I Revenue from operations	2.21	98,03,69,832	57,54,13,332
II Other income	2.22	5,29,50,131	3,74,96,125
III Total revenue (I+II)		1,03,33,19,963	61,29,09,457
IV Expenses:			
Employee benefits expenses	2.23	27,63,90,290	22,76,69,019
Finance costs	2.24	2,59,34,798	3,86,25,896
Depreciation and amortisation expense	2.10&2.11	1,27,19,644	1,53,11,077
Other expenses	2.25	40,84,61,264	27,80,73,295
Total expenses		72,35,05,996	55,96,79,287
V Profit/(loss) before prior period items and tax expense		30,98,13,967	5,32,30,170
Less: Prior period expenses/(Incomes) (net)		(4,239)	3,48,375
VI Profit/ (loss) before tax		30,98,18,206	5,28,81,795
VII Tax expense			
- Current tax		6,56,52,845	48,37,150
- Current tax of previous years		2,58,765	12,65,673
- MAT credit		(6,32,400)	-
- Wealth Tax		-	-
- Deferred tax charge/(credit)		(76,40,555)	(52,09,292)
VIII Profit for the year		25,21,79,551	5,19,88,264
Add: Profit/(loss) of Associates		2,37,16,773	84,98,170
Less: Minorities share of profit		2,72,35,422	17,24,142
IX Net surplus carried to reserves and surplus		24,86,60,902	5,87,62,292
X Earnings per share			
Basic	2.26	10.25	2.42
Diluted	2.26	10.25	2.42

Significant accounting policies

1

Notes to financial statements.

2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

CA Mohan Gupta

Partner

Membership No. - 082466

Ashok Kumar Gupta

Managing Director

DIN: 02590928

Govind Prasad Agrawal

Director

DIN: 00008429

Sagar Gupta

Company Secretary

ACS: A42611

Swapan Guha

Chief Financial Officer

PAN: AFFPG3618G

Place: New Delhi

Date: 30 May 2018

Consolidated Cash Flow Statement for the year ended 31 March 2018

(Amounts in Indian Rupees)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash Flow from operating activities		
Profit before prior period items and taxes	30,98,13,967	5,32,30,170
Adjustments for		
Depreciation	1,27,19,644	1,53,11,077
(Profit)/loss on sale of fixed assets	(35,14,609)	9,17,711
(Profit)/loss on sale of investment (net)	(25,21,23,757)	(22,32,691)
Fixed assets written off	32,601	18,01,157
Provision for employee benefits (net)	22,06,870	37,09,591
Bad debts written off	10,47,34,132	3,61,26,235
Advance/debit balances written off	30,38,045	9,33,363
Provision for non performing assets	15,00,000	18,63,300
Provision for standard assets	5,82,336	62,445
Dividend income	-	(6,30,63,306)
Interest received	(36,09,037)	(5,22,47,258)
Interest expense	1,47,37,261	3,77,71,263
Liabilities no longer required written back	-	-
	19,01,17,453	3,41,83,057
Less: Prior period expense	(4,239)	3,48,375
Operating profit before working capital changes	19,01,21,692	3,38,34,682
Adjusted for net changes in working capital		
(Increase)/decrease in inventories	(2,75,96,651)	19,41,88,456
(Increase)/decrease in trade receivables	(10,00,39,773)	(42,41,150)
(Increase)/decrease in loans and advances and other current assets	(25,32,33,104)	(13,06,65,831)
Increase/(decrease) in current liabilities and provisions	(22,37,545)	(1,85,71,945)
Increase/(decrease) in bank deposits held as margin money	-	-
Cash flow before extra ordinary items and tax	(19,29,85,381)	7,45,44,212
Taxes paid	(5,76,38,655)	(61,02,823)
Net cash generated from/(used in) operating activities (A)	(25,06,24,036)	6,84,41,389
B. Cash flow from investing activities		
Purchase of fixed assets	(2,95,09,615)	(1,51,02,599)
(Payments)/proceeds for capital work in progress	1,74,87,662	(1,69,47,662)
Proceeds from sale of fixed assets	-	11,61,472
Addition of fixed assets due to consolidation	(1,11,27,657)	-
Fixed deposits (with a maturity more than 90 days) placed/ matured	-	(2,69,25,576)
Investments made / disposal of investment	25,21,23,757	1,63,08,804
Dividend received	-	6,30,63,306
Net cash from/(used in) investing activities (B)	22,89,74,147	2,15,57,745

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

(Amounts in Indian Rupees)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flow from financing activities		
Proceeds from acquisition of minority interest	(2,72,35,422)	(17,24,142)
Repayment of long term borrowings (net)	-	(92,98,323)
Proceeds from long term borrowings (net)	-	-
Proceeds /repayment from short term borrowings (net)	11,87,75,097	(9,35,07,102)
Interest received	(1,47,37,261)	(3,77,71,263)
Interest paid	36,09,037	5,22,47,258
Net cash from/(used in) financing activities (C)	8,04,11,451	(9,00,53,572)
Net cash inflows during the year (A+B+C)	5,87,61,562	(54,438)
Cash and cash equivalents (opening balance)	12,47,23,591	12,47,78,029
	19,01,17,453	3,41,83,057
Cash and cash equivalents (closing balance)	18,34,85,153	12,47,23,591
Notes		
1 The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', of the Companies (Accounting Standards) Rules, 2006.		
2. Cash and bank balances includes:-		
Cash and cash equivalents		
Cash in hand	68,48,141	44,22,955
Deposit with bank (less than 3 months)	-	95,06,658
Balances with banks in current account	17,66,37,012	11,07,93,978
Cash and cash equivalents (closing balance)	18,34,85,153	12,47,23,591
Other bank balances		
Fixed deposits (with a maturirty more than 90 days) placed	-	-
Deposit with bank (less than 3 months- lien)	5,15,00,000	2,50,00,000
Deposit with bank (less than 12 months- lien)	5,07,00,000	7,26,91,816
Unpaid dividend account (not availale to for use of the company)	1,95,665	3,50,823
Cash and bank balances at the end of the year	28,58,80,818	22,27,66,230

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited

CA Mohan Gupta

Partner

Membership No. - 082466

Ashok Kumar Gupta

Managing Director

DIN: 02590928

Govind Prasad Agrawal

Director

DIN: 00008429

Sagar Gupta

Company Secretary

ACS: A42611

Swapan Guha

Chief Financial Officer

PAN: AFFPG3618G

Place: New Delhi

Date: 30 May 2018

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

1. Significant accounting policies

(i) Principles of consolidation

The consolidated financial statements relate to Avonmore Capital & Management Services Limited hereinafter referred to as the "Company" and its subsidiaries and its associates, together hereinafter referred to as the "Group" comprise the following:

S. No.	Name of the Subsidiary Company	Incorporated on	Country of Incorporation	% of voting power held as at	
				31 March 2018	31 March 2017
(i)	Subsidiaries				
a)	Almondz Infosystem Private Limited (AIPL)	31 December 2012	India	100%	100%
b)	Glow Apparels Private Limited (GAPL)	24 January 2012	India	100%	100%
c)	Anemone Holdings Private Limited (AHPL)	17 July 2014	India	100%	100%
d)	Apricot Infosoft Private Limited (AIPL)	21 March 2014	India	100%	100%
e)	Avonmore Developers Private Limited (ADPL)	04 June 2013	India	100%	100%
f)	Latitude 23 Communication Limited (LCL)	28 September 2005	India	100%	100%
g)	Red Solutions Private Limited (RSPL)	09 August 2012	India	100%	100%
i)	Almondz Global Securities Limited (AGSL) (w.e.f. 01 April 2015)	28 June 1994	India	56.87%	53.78%
(ii)	Associates				
a)	Carya Chemicals Private Limited	22 May 2013	India	29.05%	29.05%
b)	Yug Infrastructures Private Limited	09 September 2013	India	50%	50%
c)	Premier Alcobev Private Limited	25 May 2007	India	50%	49.85%
d)	Willis Tower Watson India Insurance Brokers Pvt. Ltd.	06 December 1996	India	26%	Nil

In the preparation of these consolidated financial statements, investment in subsidiary companies has been accounted for in accordance with AS 21 - Accounting for Consolidated Financial Statements prescribed by Companies (Accounting Standards) Rules, 2006. The consolidated financial statements are prepared, subject to the above, on the following basis:

- (a) Subsidiary company is consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and unrealised profits or losses, except where cost cannot be recovered. Subsidiaries are excluded from consolidation when control is intended to be temporary because subsidiary is acquired and held exclusively with a view to its subsequent disposal in near future.

Temporary Subsidiary is as under:

S. No.	Name of the Subsidiary Company	Incorporated on	Country of Incorporation	% of voting power held as at	
				31 March 2018	31 March 2017
a)	Shivsathi Niketan Limited (SNL) (Subsidiary w.e.f. 14 May 2014)	02 April 2013	India	52%	52%

- (b) The difference of the cost to the Company of its investment in subsidiary over its proportionate share in the equity of the investee company, as at the date of acquisition of stake is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- (c) Minority interest, if any, in net profits of consolidated subsidiary for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in absence of the contractual obligation on the minorities, the same is accounted for by the holding company.
- (d) Investment in associates are dealt with in accordance with AS-23 'Accounting for Investment in Associates in CFS. Effect has been given to the carrying amount of investment in associates using the equity method. The company share of post acquisition profit and loss is including in the carrying cost of investment. Goodwill/Capital Reserve on consolidation is recognised on the line of AS-21.
- (e) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (f) The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company i.e. year ended 31 March 2018.

(ii) **Basis of preparation**

The financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), to comply with the accounting standards specified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, relevant pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant provisions of the Companies Act, 2013. In respect of NBFC activities, prudential norms for asset classification, income recognition, valuation of investments, provisioning of bad and doubtful assets as prescribed by Reserve Bank of India for non banking finance company are complied. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy either to in use.

The consolidated financial statements have been prepared based on the Schedule III of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Previous year's figures have been regrouped/reclassified wherever considered necessary. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

(iii) **Use of estimates**

The preparation of consolidated financial statements in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Where, actual results could differ from these estimates, the differences between actual results and estimates are recognised in the periods in which the results are known / materialized..

(iv) **Current/Non-current classification**

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

i) Assets

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

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

ii) Liabilities

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

- a. It is expected to be settled in the Company's normal operating cycle;

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

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

(v) **Revenue recognition**

- a. *Advisory and consultancy services:* Fees is booked on the completion of task/project as per the terms of agreement. However, where the percentage of completion is significant enough to ascertain the outcome reliably, revenue is recognised to the extent it can be accurately measured.
- b. *Wealth / Broking activities:* Income from broking on distribution operations is recognised on the closure of the issue of mutual funds, bonds, fixed deposits and other money market instruments. Income from stock broking operations and commodity broking operation is accrued on completion of transaction at the respective stock exchanges.
- c. In the case of loans advanced / interest bearing securities / deposits, the interest is recognized as earned on day to day basis. In case of interest on investments held as stock in trade, broken period interest on every purchase or sale is split from the price as accrued interest paid or realised. Such broken period accrued interest paid on purchase & received subsequently on its sale is netted and reckoned as income.
- d. In respect of NBFC activities, the revenue recognition policies are in accordance with Non-banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ('prudential norms') as amended from time to time by the Reserve Bank of India. Reversal of income, necessitated by these guidelines, has been netted off from income from operations and accounting of interest on non-performing assets and penal interest on cash basis.
- e. In the case of trading in bonds, the profit/loss from the transaction is recognised on the closure of the deal and consequent delivery of the bond.
- f. Revenue on account of trading in shares is recognized on the basis of each trade executed at the stock exchange during the financial year.
- g. In respect of non delivery based transactions such as derivatives, the profit/loss is accounted for at the completion of each settlement, however in case of an open settlement, the net result of transaction which are squared up on FIFO basis, is recognized as profit/loss in the account.
- h. Dividend income is recognised when the right to receive the income is established.
- i. Depository Charges is accounted for on accrual basis.
- j. In case of fixed income securities/ deposits/ loans, interest is recognised on a time proportionate basis.
- k. Sale of Goods: Income from sale of goods is accounted net of taxes on accrual basis. When risk and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. In respect of other heads of income, the Company follows the practice of recognizing income on accrual basis.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

- l. Healthcare Activities : Income from healthcare Activities is accounted for on accrual basis for services rendered.
- m. Brokerage and other revenue from operations are net of service tax / GST wherever applicable.
- n. In respect of other heads of income, the Company follows the practice of recognising income on accrual basis.

(vi) Provision for standard and non-performing assets

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

(vii) Borrowing Cost

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

(viii) Expenditure

Expenses are recognised on accrual basis and provisions are made for all known losses and liabilities. Expenses incurred on behalf of other companies, for sharing personnel, common services and facilities like premises, telephones, etc. are allocated to them at cost and reduced from respective expenses.

Similarly, expense allocation received from other companies is included within respective expense classifications.

(ix) Employee benefits

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

(a) Short term benefits

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

(b) (Defined contribution plan)

Retirement / employee benefits in the form of Provident Fund, Employee State Insurance and Labour Welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.

(c) Gratuity (Defined benefit plan)

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

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as

at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

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

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

The Company provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, lying to the credit of employee as on the last day of financial year, subject to the maximum period of leave allowable as per HR policy of the company. The defined benefit obligation is calculated taking into account the pattern of an avilment of leave. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. However, company does not en-cash compensated absences.

(x) Fixed assets, depreciation and amortisation

(i) Tangible assets

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

(a) Leasehold improvements are depreciated over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.

(b) Depreciation is provided based on useful life of assets on Straight Line Method (SLM). The useful life of assets is taken as prescribed in Schedule II to the Companies Act, 2013.

(ii) Intangible assets and its amortisation

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

Softwares are stated at cost of acquisition and are amortized on straight line basis.

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

(xi) Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss. An impairment loss is reversed if there has been a change

in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

(xii) Stock-in-Trade

Securities acquired with the intention to trade are classified as Stock –in- trade. Stock-in-Trade of Securities is valued at lower of the cost or fair value. Cost is determined on First-in-First-Out (FIFO) basis.

(xiii) Investments

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

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

(xiv) Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currency are translated at year-end rates and resultant gains/losses on foreign exchange translations other than in relation to acquisition of fixed assets and long term foreign monetary liabilities are recognised in the Statement of Profit and Loss.

(xv) Current and deferred tax

Income-tax expense comprises current tax and deferred tax. Current tax expense is the amount of tax for the period determined in accordance with the income-tax law and deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax

liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

(xvi) Provisions, contingent liabilities and contingent assets

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

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

(xvii) Earnings per share

Earnings per share is calculated by dividing the net profit of loss for the year (including prior period item, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

(xviii) Operating leases

Lease payments under operating lease are recognised as an expense on a straight line basis over the lease term.

(xix) Employee Stock Option Scheme ("ESOS")

The employees stock option Scheme ("the Scheme") provides for grant of equity shares of the company to whole-time directors and employees of the company. The scheme provides that employees are granted an option to subscribe to equity shares of the company that vests in a graded manner. The options may be exercised within a specified period. The company follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date. The fair market price is the closing price of the equity shares of the company on the stock exchange/s on which the shares of the company are listed, immediately prior to the date of the meeting of compensation committee of board of directors of the company in which the options are granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

(xx) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

liquid investments with original maturities of three months or less.

(xxi) Segment reporting

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

2. Notes to the consolidated financial statements

2.1 Share capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Authorised share capital				
Equity shares of Rs.10	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
Issued, subscribed				
Equity shares of Rs.10 each	2,56,50,280	25,65,02,800	2,56,50,280	25,65,02,800
	2,56,50,280	25,65,02,800	2,56,50,280	25,65,02,800
Paid up Capital				
Equity shares of Rs. 10 each fully paid up	2,42,70,900	24,27,09,000	2,42,70,900	24,27,09,000
Add: 13,79,380 shares forfeited (at the beginning of the year)	13,79,380	65,08,131	13,79,380	65,08,131
	2,56,50,280	24,92,17,131	2,56,50,280	24,92,17,131

The reconciliation of number of shares outstanding and the amount of share capital as at 31 March 2018 and 31 March 2017 is set out below:

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs. 10 each				
At the beginning of the year	2,42,70,900	24,27,09,000	2,42,70,900	24,27,09,000
Add: Shares forfeited (at the beginning of the year)	13,79,380	65,08,131	13,79,380	65,08,131
Add: Shares issued during the year	-	-	-	-
At the end of the year	2,56,50,280	24,92,17,131	2,56,50,280	24,92,17,131

Detail of shareholders holding more than 5% shares of the Company

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	Amount	Number of Shares	Amount
Innovative Money Matters Private Limited	90,53,010	37.30	86,96,480	35.83
Veena Gases & Chemicals Private Limited	15,14,566	6.24	15,47,757	6.38
Dinkar Commercials Private Limited	Nil	Nil	14,02,680	5.78
Amarendra Financial Private Limited	Nil	Nil	12,93,995	5.33
Navjeet Singh Sobti	20,76,315	8.55	14,67,247	6.05

2.2 Reserves and surplus

Particulars	As at 31 March 2018	As at 31 March 2017
(a) Securities premium	25,64,17,900	25,64,17,900
(b) Capital reserve	7,44,48,968	7,44,48,968
(c) Capital Reserve on Consolidation	34,93,31,123	33,15,35,153
(d) Special reserve created under section 45-IC of the RBI Act, 1934		
At the beginning of the year	3,02,05,683	1,96,08,247
Add: Transferred from Surplus*	4,56,26,076	1,05,97,436
Balance at the end of year	7,58,31,759	3,02,05,683
(e) Surplus in the Statement of Profit and Loss		
At the beginning of the year	13,22,85,043	8,41,20,187
Add : Profit after tax net of share in associate's profit and minority interest	24,86,60,902	5,87,62,292
Less: Transfer to special reserve	(4,56,26,076)	(1,05,97,436)
At the end of the year	33,53,19,869	13,22,85,043
Total (a+b+c+d+e)	1,09,13,49,619	82,48,92,747

*Special reserve represents reserve fund created under section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act).

2.3 Long-term borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured term loan		
Long Term maturities of finance lease obligation	9,03,449	18,05,343
Secured term loan from banks	10,75,06,213	13,72,69,999
Secured term loan from others	18,25,704	28,17,471
Total	11,02,35,866	14,18,92,813

Nature of security

- i) Term loan from a bank amounting to Rs.12,43,41,559 (previous year Rs. 15,00,37,869) are secured by way of equitable mortgage of property situated at unit no. 501, Grande Palladium, Kalina, Santacruz East, Mumbai owned by the Company. Further, the loan has also been guaranteed by Mr. Navjeet Singh Sobti, Vice Chairman and Managing Director of the Company.
- ii) Finance Lease obligation amounting to Rs. 11,12,154 (previous year Rs. 23,98,299) are secured against hypothecation of specific vehicles financed.
- iii) Term loan to a subsidiary amounting to Rs. 91,57,750 (previous year Rs. 1,29,37,750.) from Bank is secured against hypothecation of equipment purchased and collateral security of property No. S-416, Fourth Floor, South Block, Manipal Centre, Dickenson Road, Bangalore-562042 in the name of Almondz Global Securities Limited.

Terms of payment

Term loan taken from Bank and carries an interest rate of MCLR for 1 year tenor. The interest rate as at year end is 10.85% per annum (previous year 10.85% from financial institution). The last installment would fall due on 19 December 2021. The loan is repayable in 59 equal monthly installments along with the interest. Loan amounting to Rs. 2,74,64,445 (previous year Rs. 2,57,04,377) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.

Loans are repayable in 36 equal monthly installments along with the interest and carries fixed interest rate from 10.00% to 11.00% per annum specific to the respective banks. The last installment would fall due on 05 January 2020. Loan amounting to Rs. 7,96,308 (previous year Rs. 12,86,145) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.

Loans are repayable in 48 equal monthly installments along with the interest and carries interest rate from 13.25%. Loan amounting to Rs. 37,80,000 (previous year Rs. Nil) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

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- iv) Finance Lease obligation from NBFC (Toyota Financial Services India Ltd.) to a subsidiary amounting to Rs. Nil (previous year Rs. 1,31,068) is secured against hypothecation of specific equipment purchased. Loans are repayable in 36 equal monthly installments along with the interest and carries interest rate of 10.49%. The last installment would fall due on 10 July 2018. Loan amounting to Rs. 1,31,068 (previous year Rs. 3,78,944) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.
- v) Term loan from NBFC (Diamler Financial Services India Pvt. Ltd.) to a subsidiary amounting to Rs. 19,50,965 (previous year Rs. Nil) is secured against hypothecation of specific equipment purchased. Loans are repayable in 47 equal monthly installments along with the interest and carries interest rate of 10.0195%. The last installment would fall due on 03 March 2021. Loan amounting to Rs. 5,86,617 (previous year Rs. Nil) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.
- vi) Term loan from Bank to a subsidiary amounting to Rs. 5,62,210 (previous year 30,51,829) is secured against hypothecation of plant & machinery. Loans are repayable in 12 to 24 equal monthly installments along with the interest and carries interest rate from 13.00%. Loan amounting to Rs. 5,23,902 (previous year Rs. 24,89,708) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.
- vii) Term loan from other to a subsidiary amounting to Rs. 28,14,469 (previous year 36,99,866) is secured against hypothecation of plant & machinery. Loans are repayable in 48 equal monthly installments along with the interest and carries interest rate from 11.46%. Loan amounting to Rs. 9,88,765 (previous year Rs. 8,82,395) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.
- viii) Finance Lease obligation to a subsidiary amounting to Rs. 9,38,000 (previous year Rs. Nil) is secured against hypothecation of vehicle purchased. Loans are repayable in 48 equal monthly installments along with the interest and carries interest rate from 13.25%. The last installment would fall due on 02 May 2021. Loan amounting to Rs. 2,33,470 (previous year Rs. Nil) repayable in next 12 months has been shown as current maturities of secured long-term borrowings in Note 2.8.

2.4 Other long-term liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Security deposits received	7,72,238	9,30,000
Rent equalisation reserve	4,68,537	2,09,003
Total	12,40,775	11,39,003

2.5 Long-term provisions

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits:		
Gratuity	68,71,517	48,25,424
Compensated absences	12,52,051	7,03,889
Other Provisions		
Rent equalization reserve	9,87,416	-
Contingent provision for standard assets	8,42,834	54,99,678
Total	99,53,818	1,10,28,991

2.6 Short-term borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured		
Working capital facilities	7,88,002	1,95,13,310
Secured overdraft from banks	50,79,209	5,55,28,889
Unsecured		
Loan from related party	9,50,000	50,000
Loan from others	7,39,00,000	7,24,00,000
Total	8,07,17,211	14,74,92,199

a) **Federal Bank Limited**

Working capital limit of Rs. 2,500 lacs is secured by way of pledge of securities purchased and held in Demat Account with Axis Bank Limited, counter guarantee of the company and personal guarantee of Mr. Navjeet Singh Sobti (Vice-Chairman and Managing Director). The rate of interest is 10.95% p.a. The amount outstanding as on 31st March 2018 is Rs.7,88,002.

b) **IDBI Bank Limited**

Overdraft limit of Rs. 200 lacs is secured by way of pledge of Fixed Deposit with IDBI Bank Limited. The rate of interest is 9.15% p.a. The amount outstanding as on 31st March 2018 is Rs.50,79,209.

c) Loan of Rs. 9.50 lac carries the rate of interest is Nil p.a and repayable on demand.

d) Loan of Rs. 202.00 lac carries the rate of interest is 10.00% p.a and repayable on demand.

e) Loan of Rs. 41.00 lac carries the rate of interest is 9.00% p.a and repayable on demand.

f) Loan of Rs. 291.00 lac carries the rate of interest is 9.00% p.a and repayable on demand.

g) Loan of Rs. 180.00 lac carries the rate of interest is 9.00% p.a and repayable on demand.

h) Loan of Rs. 25.00 lac carries the rate of interest is 4.00% p.a and repayable on demand

2.7 Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables*	3,66,36,281	2,19,44,683
Total	3,66,36,281	2,19,44,683

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with their customers, the Entrepreneurs Memorandum number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no trade payables and other current liabilities payable to Micro and Small Enterprises as at 31 March 2018 and 31 March 2017.

2.8 Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017
Payable to NSEL clients	14,95,90,405	14,95,90,405
Less: Receivable from NSEL Exchange	14,95,90,405	14,95,90,405
	-	-
Current maturities of long-term debt	3,44,90,094	3,07,41,569
Advance received	5,00,00,000	4,90,923
Rent equalization reserve	7,07,558	2,11,370
Interest accrued but not due on borrowings	2,10,08,967	1,78,12,088
Unpaid dividend ¹	1,95,665	3,50,823
Due to clients	9,94,05,433	9,93,07,159
Expenses payable	2,15,48,351	1,52,85,090
Statutory dues	2,82,81,128	2,06,65,276
Other payables	2,52,63,767	1,63,55,560
Security deposit received	1,22,262	2,82,268
Total	28,10,23,225	20,15,02,126

¹There are no amounts due for payment to the Investor Education and Protection Fund under Section 125(2) of the Companies Act, 2013 as at the year end.

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2.9 Short-term provisions

Particulars	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits		
Gratuity	54,08,590	23,83,068
Compensated absences	6,36,794	4,94,308
	60,45,384	28,77,376
Other provisions		
Rent equalization	1,65,952	-
Provision for taxes (Net of tax deducted at source)	20,78,140	2,50,136
	22,44,092	2,50,136
Total	82,89,476	31,27,512

2.10 Tangible assets

Cost	As at 1 April 2016	Additions	Addition on Consolidation	Deletion	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Land (free hold)	59,43,853	-	-	-	59,43,853	-	-	59,43,853
Office Buildings	33,95,20,730	-	-	-	33,95,20,730	-	-	33,95,20,730
Plant & Machinery	1,73,00,989	52,16,777	-	5,63,730	2,19,54,036	2,09,96,587	-	4,29,50,623
Furniture and fixtures	2,70,05,857	5,64,660	-	12,41,241	2,63,29,276	4,56,000	11,12,131	2,56,73,145
Vehicles	2,45,23,651	14,81,111	-	46,37,960	2,13,66,802	12,56,680	-	2,26,23,482
Office equipments	2,66,55,697	14,59,853	-	19,06,935	2,62,08,615	13,36,060	28,21,132	2,47,23,543
Computers and peripherals	4,07,17,451	25,28,714	-	43,54,587	3,88,91,578	29,01,358	8,09,599	4,09,83,337
Leasehold improvements	2,10,37,940	21,71,759	-	16,58,188	2,15,51,511	42,93,650	1,55,09,880	1,03,35,281
Total	50,27,06,168	1,34,22,874	-	1,43,62,641	50,17,66,401	3,12,40,335	2,02,52,742	51,27,53,994

Depreciation	As at 1 April 2016	Additions	Addition on Consolidation	Deletion	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Land (free hold)	-	-	-	-	-	-	-	-
Office Buildings	3,22,12,830	53,58,057	-	-	3,75,70,887	52,59,158	-	4,28,30,045
Plant & Machinery	30,92,580	12,01,296	-	-	42,93,876	19,65,311	-	62,59,187
Furniture and fixtures	2,40,07,608	7,89,275	-	11,53,299	2,36,43,584	3,45,160	8,54,433	2,31,34,311
Vehicles	1,34,87,102	24,39,161	-	32,77,770	1,26,48,493	15,44,252	-	1,41,92,745
Office equipments	2,27,07,126	10,36,348	-	15,71,269	2,21,72,205	8,25,421	25,74,782	2,04,22,844
Computers and peripherals	3,84,63,453	10,82,030	-	42,29,579	3,53,15,904	16,45,288	7,96,834	3,61,64,358
Leasehold improvements	1,62,17,863	29,21,142	-	-	1,91,39,005	4,84,292	1,55,09,883	41,13,414
Total	15,01,88,562	1,48,27,309	-	1,02,31,917	15,47,83,954	1,20,68,882	1,97,35,932	14,71,16,904

Carrying amounts	As at 31 March 2017	As at 31 March 2018
Land (free hold)	59,43,853	59,43,853
Office Buildings	30,19,49,843	29,66,90,685
Plant & Machinery	1,76,60,160	366,91,436
Furniture and fixtures	26,85,692	25,38,834
Vehicles	87,18,309	84,30,737
Office equipments	40,36,410	43,00,699
Computers and peripherals	35,75,674	48,18,980
Leasehold improvements	24,12,506	62,21,867
Total	34,69,82,447	36,56,37,090

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

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(Amounts in Indian Rupees)

2.11 Intangible assets

Cost	As at 1 April 2016	Additions	Deletion	Addition	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Trademark in process	22,000	-	-	-	22,000	-	-	22,000
Computer software	2,48,95,876	16,01,418	-	-	2,64,97,294	21,68,418	7,20,725	2,79,44,987
Painting and sculpture	11,88,840	78,307	-	-	12,67,147	-	-	12,67,147
Web Design	-	-	-	-	-	1,00,000	-	1,00,000
Total	2,61,06,716	16,79,725	-	-	2,77,86,441	22,68,418	7,20,725	2,93,34,134

Amortisation	As at 1 April 2016	Additions	Deletion	Addition	As at 31 March 2017	Additions	Deletions	As at 31 March 2018
Trademark in process	-	-	-	-	-	-	-	-
Computer software	2,33,67,087	2,97,267	-	-	2,36,64,354	5,19,668	7,20,406	2,34,63,616
Painting and sculpture	5,91,194	1,86,501	-	-	7,77,695	1,28,390	-	9,06,085
Web Design	-	-	-	-	-	2,705	-	2,705
Total	2,39,58,281	4,83,768	-	-	2,44,42,049	6,50,763	7,20,406	2,43,72,406

Carrying amounts	As at 31 March 2018	As at 31 March 2017
Trademark in process	22,000	22,000
Computer software	28,32,940	44,81,371
Painting and sculpture	4,89,452	3,61,062
Web Design	-	97,295
Total	33,44,392	49,61,728

2.12 Non-current investments (valued at cost unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
(A) Investment in Property		
Building (No. 42, 3rd Floor, Ahuja Towers, R.S. Puram, Coimbatore, Tamil Nadu)	13,91,009	13,91,009
Building (Khata No. 102, Part of Khasra No. 533, Noida, Uttar Pradesh)	6,56,65,280	6,56,65,280
Building (Plot No. 007, Block B, Sector-41, Noida, Uttar Pradesh)	1,65,64,644	1,65,64,644
Building (Sector- 128, Noida, Gautam Budh Nagar, Uttar Pradesh)	92,70,604	92,70,604
Building (Flat No.1C, 1st Floor, Tower-13, Sankalpa, Kolkatta, West Bengal)	75,10,766	75,10,766
Building (Flat No.1D, 1st Floor Tower-13, Sankalpa, Kolkatta, West Bengal)	75,10,766	75,10,766
Net Total (A)	10,79,13,069	10,79,13,069
(B) Investment in Equity Instruments (Quoted)		
Indo Korea Exports Limited	38,96,000	38,96,000
[3,89,600 (previous year Nil) equity shares of Rs.10 fully paid up]		
International Paper APPM Limited	-	2,73,04,816
[Nil (previous year 84,118) equity shares of Rs. 10 fully paid- up]		
Shaily Engineering Plastic Limited	1,68,359	1,68,359
[300 (previous year 300) equity shares of Rs. 10 fully paid up]		
Aditya Birla Capital Limited	18,39,962	-
[10,000(previous year Nil) equity shares of Rs.10 fully paid up]		
Aptech Limited	32,25,238	-
[10,606 (previous year Nil) equity shares of Rs.10 fully paid up]		

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Particulars	As at 31 March 2018	As at 31 March 2017
Dhanuka Agritech Limited [4,430(previous year Nill) equity shares of Rs.2 fully paid up]	32,42,763	-
IRB InvIT Fund [50,000(previous year Nill) equity shares of Rs.102 fully paid up]	43,99,950	-
Sadbhav Infrastructure Project Limited [36,781(previous year Nill) equity shares of Rs.10 fully paid up]	55,75,504	-
Unitech Limited [16,80,000(previous year Nill) equity shares of Rs.2 fully paid up]	1,27,60,474	-
Wockhardt Limited [12,317(previous year Nill) equity shares of Rs.5 fully paid up]	99,99,864	-
Indiabulls Real Estate Limited 22,500(previous year Nill) equity shares of Rs.2 fully paid up]	45,80,648	-
ISMT Limited [59,970(previous year Nill) equity shares of Rs.5 fully paid up]	11,21,653	-
Ritesh Polyester Limited [34,600 (previous year 34,600) equity shares of Rs.10 fully paid up]	5,23,860	5,23,860
Ecoplast India Limited [2,500 (previous year 2,500) equity share of Rs.1 fully paid up]	20,000	20,000
Vantech Industries Limited [3,000 (previous year 3,000) equity shares of Rs.10 fully paid up]	30,000	30,000
Total	5,13,84,275	3,19,43,035
Less: Provision for diminution in value of investments	44,69,860	44,69,860
Net Total (B)	4,69,14,415	2,74,73,175
(C) Investment in Equity Instruments (Unquoted)		
Dijit Prognosys Private Limited [3,000 (previous year 3,000) equity shares of Rs.100 fully paid-up]	3,00,000	3,00,000
N1 Media Consultancy Private Limited [7,844 (previous year 7,844) equity shares of Rs.10 fully paid-up]	30,00,000	30,00,000
Globus Industries & Services Limited [10,000 (previous year 10,000) equity shares of Rs.100 fully paid-up]	1,00,000	1,00,000
Carya Chemicals & Fertilizers Private Limited [29,50,000 (previous year 29,50,000) equity shares of Rs. 10 each]	2,95,00,000	2,95,00,000
Willis Tower Watson India Insurance Brokers Private Limited [13,77,000 (previous year 13,77,000*) equity shares of Rs.10 fully paid-up]	6,59,26,846	-
Almondz Insurance Brokers Private Limited [Nil (previous year 13,77,000*) equity shares of Rs.10 fully paid-up]	-	11,38,89,400
Shivsathi Niketan Limited [26,000 (previous year 26,000) equity shares of Rs.10 fully paid-up]	2,60,000	2,60,000
Shiivaz Spas & hospitality Private Limited [20,000 (previous year 20,000) equity shares of Rs.10 fully paid-up]	2,00,000	2,00,000
New Age Blocks Private Limited [67,575 (previous year 67,575) equity shares of Rs.10 fully paid-up]	6,75,750	6,75,750
Premier Alcobev Private Limited [1,44,91,011 (previous year 1,39,40,000) equity shares of Rs.10 fully paid-up]	14,51,00,110	13,94,00,000
Yug Infrastructures Private Limited [15,00,000 (previous year 15,00,000) equity shares of Rs.10 fully paid-up]	1,50,00,000	1,50,00,000
Shriram New Horizons India Limited (formerly New Horizon India Limited) [4,00,000 (previous year 4,00,000) equity shares of Rs.10 fully paid- up]	2,00,00,000	2,00,00,000
Almondz Insolvency Resolutions Services Private Limited [33,000 (previous year Nill) equity shares of Rs.10 fully paid-up]	3,30,000	-
Total	28,03,92,706	32,23,25,150
Less: Provision for diminution in value of investment	35,13,700	35,13,700
Add : Profit from associates	2,65,21,122	98,78,934
Total (C)	30,34,00,128	32,86,90,384

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2.12 Non-current investments (valued at cost unless otherwise stated) Contd.

Particulars	As at 31 March 2018	As at 31 March 2017
(D) Other non-current investment		
Painting & Sculpture	11,82,978	11,82,978
National Saving Certificates	23,000	23,000
Total	12,05,978	12,05,978
Less: Provision for diminution in value of investments	23,000	23,000
Net Total (D)	11,82,978	11,82,978
Net Total (A+B+C+D)	45,94,10,590	46,52,59,606

2.13 Deferred tax assets (net)

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax asset		
Provision for doubtful debts	8,70,083	12,13,134
Provision for diminution in value of investments	38,57,751	43,26,450
Difference in the written down value of fixed assets as per the Companies Act, 2013 and the Income-Tax Act, 1961	71,64,981	4,24,449
Unabsorbed capital loss and unabsorbed depreciation	-	29,89,999
Provision for employee benefits	39,36,029	31,27,772
Others	22,04,649	19,66,683
Contingent provision on standard assets	-	41,264
Total deferred tax asset	1,80,33,493	1,40,89,751
Deferred tax liability		
Difference in the written down value of fixed assets as per the Companies Act, 2013 and the Income-Tax Act, 1961	-	5,28,414
Total deferred tax liability	1,80,33,493	1,35,61,337
Deferred tax asset/(liability) recognised (net) *	1,80,33,493	99,41,875
Deferred tax charged/ (credit) to Statement of Profit and Loss	(76,40,555)	(52,09,292)
Deferred tax assets not recognised (net)	-	2,49,52,219

The "Group" has carried out computation of deferred tax in accordance with Accounting Standard 22 - Accounting for Taxes on Income notified in the Companies (Accounting Standards) Rules, 2006. The deferred tax assets of Rs. 1,80,33,493 disclosed in the consolidated financial statement represents deferred tax asset consolidated on a line by line basis.

2.14 Long-term loans and advances

Particulars	As at 31 March 2018	As at 31 March 2017
Security deposits	97,77,014	67,24,359
Rental deposits	16,72,920	20,19,800
Security deposits with stock exchanges	3,69,25,000	3,34,25,000
Advance against property*	1,27,65,000	1,27,65,000
Loans to staff	7,09,000	7,50,000
Prepaid expenses	28,05,412	6,32,805
Advance income-tax and tax deducted at source (Net of provision)	1,12,200	1,50,05,710
Total	6,47,66,546	7,13,22,674

* Acquired under agreement to sell from a borrower in settlement of loan.

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2.15 Other non-current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Interest accrued on fixed deposit but not due	-	3,21,568
Retention money	44,41,380	16,73,284
Long-term deposits with maturity of more than 12 months*	5,64,93,854	4,34,99,199
Total	6,09,35,234	4,54,94,051

*Collateral given to Oriental Bank of Commerce for the loan taken by Premier Alcobev Private Limited, an associates of the Company.

2.16 Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
Stock in trade*		
Equity shares - quoted	7,89,36,891	1,39,23,793
Corporate, Central Government and State Government Bonds	5,43,05,519	9,14,81,055
Spectacles & Consumables	11,36,500	13,77,411
Total	13,43,78,910	10,67,82,259

*Inventories is valued lower of cost of fair value

Break-up of Inventories held as at 31 March 2018 is as follows :

Particulars	Nos.	Amount
Shares		
Adlabs Entertainment Limited	2,000	93,200
Aptech Ltd.	2,500	6,45,375
ANI Integrated Services Limited	2,400	2,42,400
Dhanuka Agritech Ltd.	503	2,78,260
DPSC Limited	5,000	1,35,750
Dunlop India Limited	1,111	1
Firstsource Solutions Limited	29,000	14,83,000
Indiabulls Real Estate	10,000	18,11,000
Indian Metals & Ferro Alloys Limited	1,000	4,29,450
IL&FS Investment Managers Ltd.	25,000	4,27,500
Elder Pharmaceuticals Ltd.	200	1
Indian Overseas Bank	10,000	1,72,500
Jhandewalas Foods Limited	2,000	78,500
Kesoram Industries Limited	2,500	2,69,888
Kotak Mahindra Bank Limited	1,609	5,19,989
Bank of Maharashtra	10,000	1,36,000
Max India Limited	2,000	1,66,700
Max Venture and Industries Limited	2,000	1,34,700
Ortel Communications Limited	10,947	2,20,035
Panasonic Carbon India Co. Ltd	100	55,875
Premier Explosives Limited	1,400	4,69,000
RCI Industries & Technologies Limited	2,000	2,78,600
Reliance Naval & Engineering Limited	2,500	68,875
Shaily Engineering Plastics Limited	18,251	2,04,56,542
Timex Group India Limited	1,000	43,150
Vivimed Labs Limited	2,000	1,42,100
Yuken India Ltd	12,500	4,99,75,000
Zenotech Laboratories Limited	5,000	2,03,500

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

Particulars	Nos.	Amount
Bonds		
8.75% Bajaj Finance Limited, 2026	470	4,73,52,829
8.02% Corporation Bank Limited, 2027	70	69,32,800
Others	200	19,890
Spectacles		6,69,083
Consumables		4,67,417
Total		13,43,78,910

Break-up of Inventories held as at 31 March 2017 is as follows :

Particulars	Nos.	Amount
Equity shares		
Asian Granito India Limited	2,090	657,302
BF Utilities Limited	200	88,290
Best steel logistics Limited	500	463,750
Dunlop India Limited	1,111	1
Gammon India Limited	10,000	96,700
India Home Loan Limited	2,800	300,720
Intense Technologies Limited	500	33,417
Jamna Auto Industries Limited	4,000	843,995
JSW Energy Limited	2,000	122,167
Kothari Fermentation Biochem Limited	850	42,682
Laurus Labs Limited	335	172,626
Mercator Limited	15,000	700,500
Panacea Biotec Limited	250	36,722
Prakash Industries Limited	13,000	1,001,650
Raymond Limited	200	100,730
Shaily Engineering Plastics Limited	16,050	7,714,433
Subex Limited	12,000	132,240
Suven Life Sciences Limited	500	82,825
Suzlon Energy Limited	52,000	920,881
West Coast Paper Mills Limited	500	66,905
Thyrocare Technologies Limited	250	178,749
TV18 Broadcast Limited	3,000	124,091
Elder Pharmaceuticals Limited	200	1
Vikas Globalone Limited	3,000	42,416
Bonds		
10.75% IDBI Bank Perpetual	330	3,25,33,446
8.21% Haryana Uday Special 2026	4	4,09,000
8.55% PFC 2021	20	20,42,000
9.30% Dewan Hsg. Finance Corp. Ltd. 2026	357	3,54,57,979
8.45% UPSDL	200	2,10,20,000
Others	200	18,630
Spectacles		9,35,327
Consumables		4,42,084
Total		10,67,82,259

2.17 Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017
Secured, considered good		
Outstanding for more than six months	55,04,656	52,09,018
Other debts	8,43,11,723	5,46,58,481
Total (a)	8,98,16,379	5,98,67,499
Unsecured, considered good		
Outstanding for more than six months	4,88,69,606	3,35,10,916
Other debts	7,84,15,551	12,84,17,480
Total (b)	12,72,85,157	16,19,28,396
Unsecured, considered doubtful		
Outstanding for more than six months	24,67,461	38,54,959
Less: Provision for doubtful debts	24,67,461	38,54,959
Total (c)	-	-
Total (a+b+c)	21,71,01,536	22,17,95,895

2.18 Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
Cash in hand	68,48,141	44,22,955
Balances with banks in current accounts	17,66,37,012	11,07,93,978
Deposits with maturity of less than 3 months	-	95,06,658
Total cash and cash equivalents (a)	18,34,85,153	12,47,23,591
Other bank balances		
Deposit with bank less than 3 months-lien*	5,15,00,000	2,50,00,000
Deposit with bank less than 12 months-lien*	5,07,00,000	7,26,91,816
Unpaid dividend account	1,95,665	3,50,823
Total other bank balances (b)	10,23,95,665	9,80,42,639
Total (a+b)	28,58,80,818	22,27,66,230

*Collateral given to Oriental Bank of Commerce for the loan taken by Premier Alcobev Private Limited, an associates of the Company.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.19 Short-term loans and advances (unsecured considered good, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
Loans to related parties		
Unsecured, considered good	1,21,00,000	-
Loans to body corporate		
Secured, considered doubtful	1,75,00,000	1,75,00,000
Less: Provision for non-performing assets	52,50,000	52,50,000
	1,22,50,000	1,22,50,000
Unsecured, considered good	23,46,80,377	27,71,34,610
Less: Provision for non-performing assets	-	82,10,000
	23,46,80,377	26,89,24,610
Unsecured, considered doubtful	1,25,86,633	1,80,86,633
Less: Provision for non-performing assets	1,25,86,633	1,80,86,633
	-	-
Loans to Others	14,00,00,000	3,44,80,000
Security deposits - stock exchange	14,75,000	14,75,000
Security deposits - others	1,61,88,393	64,57,111
Security deposits – rentals	3,34,000	10,45,000
Loans to employees	15,29,500	8,34,100
Balance with statutory- government authorities	47,24,881	25,93,205
Prepaid expenses	90,77,201	67,39,954
Advance income tax - tax refundable (net of provision)	6,98,00,916	6,68,71,872
Advances for rendering services	1,17,23,817	56,58,949
Other advances	1,27,69,570	90,65,637
Earnest money deposit recoverable	-	17,66,600
Advance against bank guarantee	74,12,204	44,50,553
Capital advance	18,58,08,764	17,97,30,068
Other recoverable	56,67,900	62,14,058
Total	74,33,79,156	64,01,03,350
Less: Provision for Non-performing assets	1,78,36,633	3,15,46,633
Less: Provision for doubtful security deposits	100,000	1,00,000
Total	72,54,42,523	60,84,56,717

2.20 Other current assets (Unsecured considered good, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
Interest accrued on loan	1,37,18,217	1,95,04,155
Less: provision of non-performing assets	5,03,178	1,28,343
	1,32,15,039	1,93,75,812
Deposits with maturity of more than 3 months but less than 12 months*	3,75,41,707	59,92,656
Properties acquired in settlement of loans		
**II nd Floor - B-42, Rangpuri, Vasant Kunj , New Delhi -110070	75,00,000	75,00,000
**III nd Floor - B-42, Rangpuri, Vasant Kunj , New Delhi -110070	75,00,000	75,00,000
Interest accrued on bonds	27,73,342	43,41,691
Interest accrued but not due	1,95,06,901	1,09,57,604
Earnst money deposit recoverable	9,42,600	-
Other advance	52,15,722	13,81,856
Retention money	31,97,921	24,52,841
Accrued income	25,000	1,40,000
Unbilled revenue	3,76,657	2,94,545
Total	9,77,94,889	5,99,37,005

*Collateral given to Oriental Bank of Commerce for the loan taken by Premier Alcobev Private Limited, an associates of the Company.

** Acquired under agreement to purchase from an borrower in settlement of loan. The conveyance deed is yet to be executed in the name of the company. The Company has taken over the possession.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.21 Revenue from operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Advisory and consultancy fees	44,86,23,928	28,98,00,929
Sale of spectacles	15,49,895	17,02,584
Broking activities	16,03,86,632	14,34,80,885
Interest income on loan	8,80,65,124	5,22,47,258
Net gain/(loss) in trading of bonds (Refer 2.21(a))	2,90,52,253	3,39,37,410
Profit/(loss) on derivatives	(2,63,24,063)	(3,05,84,387)
Net gain/(loss) in trading of shares (Refer 2.21 (b))	90,86,103	25,85,164
Other operating income (Refer 2.21(c))	26,93,30,472	8,16,22,615
Rent Received	5,99,488	6,20,874
Total	98,03,69,832	57,54,13,332

2.21 (a) Net results in trading of bonds:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Trading of bonds		
Opening stock of bonds	9,14,81,055	27,17,87,635
Add: Cost of bonds purchased	6,45,16,77,655	8,36,86,06,098
	6,54,31,58,710	8,64,03,93,733
Less: Closing stock of bonds	5,43,05,519	9,14,81,055
Cost of bonds sold	6,48,88,53,191	8,54,89,12,678
Less: Sale of bonds	6,51,79,05,444	8,58,28,50,088
Net gain/(loss) in trading of bonds	2,90,52,253	3,39,37,410

2.21 (b) Net results in trading of shares:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Trading of shares		
Opening stock of shares	1,39,23,793	2,82,50,953
Add: Cost of shares purchased	33,25,86,212	25,74,52,189
	34,65,10,005	28,57,03,142
Less: Closing stock of shares	7,89,36,891	1,39,23,793
Cost of shares sold	26,75,73,114	27,17,79,349
Less: Sale of shares	27,66,59,217	27,43,64,513
Net gain/(loss) in trading of shares	90,86,103	25,85,164

2.21 (c) Other operating income:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Delayed payment charges	79,29,265	1,15,24,326
Ancillaries activities of broking	26,989	17,874
Processing fee & Others	25,21,23,757	-
Interest on fixed deposits pledged with exchanges	87,46,216	70,17,109
Dividend income	5,04,245	6,30,63,306
Total	26,93,30,472	8,16,22,615

*The interest income on deposits pledged with banks / stock exchanges has been included in operating income since the same is directly attributable to primary revenue generating operation of the company.

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.22 Other Income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on		
— Bank deposits	36,09,037	46,51,181
— Other loans & advances	10,78,273	5,32,062
Net gain on sale of investments	39,97,253	22,73,185
Rent received	2,47,69,080	2,47,55,980
Excess provision on employee benefit no longer required written back	43,34,779	88,412
Excess provision written back	3,42,167	6,40,759
Provision for doubtful debts written back	16,56,949	1,85,685
Liabilities no longer required written back	11,76,976	24,33,408
Bad debts recovered	-	1,25,697
Interest received on Income Tax refund	77,12,439	13,07,981
Miscellaneous income	7,58,569	5,01,775
Profit on sale of fixed asset	35,14,609	-
Total	5,29,50,131	3,74,96,125

* Includes interest on loan to associates and deposits with body corporate.

2.23 Employee benefits expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	25,70,75,400	21,36,43,483
Contribution to provident and other funds	72,50,947	51,15,533
Gratuity and leave encashment	65,41,649	37,98,003
Staff welfare expense	55,22,294	51,12,000
Total	27,63,90,290	22,76,69,019

2.24 Finance cost

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	1,47,37,261	3,77,71,263
Other borrowing cost	1,11,97,537	8,54,633
Total	2,59,34,798	3,86,25,896

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED
Notes to Consolidated Financial Statements
(Amounts in Indian Rupees)
2.25 Other expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Advance/debit balances written off	30,38,045	9,33,363
Advertisement expenses	25,11,340	13,78,190
Bad debts written off	10,47,34,132	3,61,26,235
Provision for doubtful debts	329,15,66	-
Bank & processing charges	58,32,714	49,50,693
Business promotion expense	29,85,127	45,06,605
Charity and donations	6,55,600	13,80,000
Contingent provision on standard assets	5,82,336	62,445
Communication expenses	83,37,596	96,89,685
Car lease charges	4,80,000	2,40,000
Commission and brokerage	5,50,48,563	5,66,09,723
Demat Charges	62,070	2,19,020
Repair and maintenance:		
— Computer maintenance	14,20,596	18,42,470
— Building	1,44,969	1,40,150
— Office maintenance	55,72,294	47,50,427
— Vehicle repair and maintenance	25,20,797	26,90,473
Rent	2,59,04,103	2,10,65,575
Provision for non performing assets	15,00,000	18,63,300
Professional charges	10,32,13,622	5,80,30,028
Electricity, generator and water charges	74,97,621	78,24,602
Expenditure on CSR activities	7,30,000	1,00,000
Travelling and conveyance expenses	2,34,01,799	1,86,93,865
Insurance charges	14,40,966	11,11,739
Fine & penalty		3,079
Fixed assets written off	32,601	18,01,157
Interest on late deposit on Government Dues	2,54,719	3,29,297
Rates and taxes	44,66,954	69,60,256
Printing and stationery	37,66,429	36,27,240
Legal and professional charges ¹	2,13,76,217	1,93,18,503
Loss on sale of investment	24,11,248	40,494
Loss of sale of fixed assets		9,17,711
Loss on error trades	7,21,030	-
SEBI and stock exchange fee and charges	18,77,032	15,43,709
Membership and subscription	14,09,993	15,87,148
Tender expenses	11,01,479	4,37,189
Site expenses	60,75,190	11,59,870
Consumables	17,96,246	24,01,292
Miscellaneous expenses	22,66,270	37,37,762
Total	40,84,61,261	27,80,73,295
¹ Auditor's remuneration (excluding service tax)	For the year ended 31 March 2018	For the year ended 31 March 2017
Statutory Audit fee	13,77,250	98,000
Certification fee	2,71,811	165,500
Others	1,01,950	-
Tax audit fee	60,000	20,000
Total	18,11,011	2,83,500

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.26 Earnings per share

Earnings per share (EPS) are computed in accordance with Accounting Standard "AS 20 - Earnings per Share" by dividing the net profit after tax by the weighted average number of equity shares outstanding for the period.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit/ (loss) after tax available for equity shareholders (A)	24,86,60,902	5,87,62,292
Weighted average number of equity shares for Basic EPS (B) (Face value of Rs.6 each)	2,42,70,900	2,42,70,900
Weighted average number of equity shares for diluted EPS (C) (Face value of Rs.6 each)	2,42,70,900	2,42,70,900
Basic EPS (A/B)	10.25	2.42
Diluted EPS (A/C)	10.25	2.42

2.27 Contingent Liabilities

Particulars	As at	As at
1 Suit filed by clients for recovery on account of unauthorised trades on stock exchanges/deficiency in services. These matters are pending before various dispute resolution authorities.	1,52,546	1,52,546
2 Suit filed by previous employees for recovery of their dues from Company. These matters are pending before various courts.	1,85,700	1,85,700
3 Show cause notice for service tax demand in relation to the financial year ended 31 March 2007 and 31 March 2008. Appeal filed with Service Tax Tribunal, R. K. Puram, New Delhi. Hearing awaited.	64,44,100	64,44,100
4 Show cause notice for service tax demand in relation to the financial years ended 31 March 2006 till the financial year ended 31 March 2009. Reply filed with Assistant Commissioner of Service Tax, M G Road, New Delhi, Hearing awaited.	5,000	5,000
5 Contingent Liability	5,31,846	531,846
6 Corporate guarantee issued by company/subsidiary to secure credit facilities to subsidiary/subsidiaries.	1,52,32,46,000	63,48,08,000
7 Bank Guarantees (net of fixed deposits)	12,97,33,412	6,50,76,062
8 Bank Gurantee in favour of ECHS, CGHS and ESI.	13,50,000	2,50,000
Total	1,66,16,48,604	70,74,53,254

2.28 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 84,91,226 (previous year Rs. 2,27,74,499).

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.29 Segment Reporting

For the year ended 31 March 2018

Particulars	Debt and equity market operations	Corporate finance and advisory fee	Infrastructure advisory	Finance activities	Investment activities	Wealth/ Broking activities	Healthcare Activities	Other	Unallocable	Total
Segment Revenue										
Segment Revenue	1,18,67,575	17,60,79,967	25,58,27,923	8,80,13,590	25,21,23,757	17,38,70,189	2,16,78,309	9,08,522	-	98,03,69,832
Segment Results										
Segment Results	(1,09,89,488)	10,28,88,353	1,27,78,844	(1,64,55,686)	25,21,23,757	34,81,264	-17,96,559	9,83,426	(16,77,908)	34,13,36,003
Less: Unallocable expenses (net)	-	-	-	-	-	-	-	-	(55,20,183)	(55,20,183)
Less : Interest expenses	81,95,395	63,707	17,77,214	(2,33,393)	-	6,22,618	6,00,639	4,932	1,49,66,502	2,59,97,614
Profit/(Loss) before tax	(1,91,84,883)	10,28,24,646	1,10,01,630	(1,62,22,293)	25,21,23,757	28,58,646	(23,97,198)	9,78,494	-2,21,64,593	30,98,18,206
Less :Provision for tax for the Year	-	-	15,77,983	-	-	(1,12,101)	(2,591)	69,971	5,61,05,393	5,76,38,655
Net Profit/(Loss) after tax	(1,91,84,883)	10,28,24,646	94,23,647	(1,62,22,293)	25,21,23,757	29,70,747	(23,94,607)	9,08,523	(7,82,69,986)	25,21,79,551
Other Information										
Segmental assets	20,50,12,035	3,81,57,894	27,25,95,676	46,51,32,650	6,59,23,452	36,42,74,682	4,50,29,623	21,37,97,860	76,72,93,435	2,43,72,17,307
Segmental liabilities	5,87,67,278	82,78,412	6,20,39,137	20,69,250	-	12,09,66,069	79,65,098	1,56,99,475	25,23,11,933	52,80,96,652
Capital expenditure	-	23,729	2,63,74,875	12,597	28,95,707	40,22,468	79,377	3,34,08,753		
Depreciation	10,58,487	21,49,166	32,88,860	-	40,59,030	-	19,26,407	5,051	2,32,643	1,27,19,644

For the year ended 31 March 2017

Particulars	Debt and equity market operations	Corporate finance and advisory fee	Infrastructure advisory	Finance activities	Investment activities	Wealth/ Broking activities	Healthcare Activities	Other	Unallocable	Total
Segment Revenue										
Segment Revenue	10,901,671	121,831,588	157,073,385	52,247,258	62,997,750	15,02,53,415	19,421,392	686,873	-	575,413,332
Segment Results										
Segment Results	(54,297,872)	85,753,436	1,409,476	15,144,435	62,997,750	1,03,26,526	(13,145,294)	1,121,154	28,163,084	137,472,695
Less: Unallocable expenses (net)	-	-	-	-	-	-	-	-	5,90,24,311	5,90,24,311
Less : Interest expenses	1,433,020	-	211,513	555,666	-	-	731,949	-	2,26,36,478	2,55,68,626
Profit/(Loss) before tax	(55,730,892)	85,753,436	1,197,963	14,588,769	62,997,750	1,03,26,526	(13,877,243)	1,121,154	(53,497,705)	52,879,758
Less :Provision for tax for the Year	-	-	1,630,649	-	-	-10,587	(6,952)	202,389	(924,005)	891,494
Net Profit/(Loss) after tax	(55,730,892)	85,753,436	(432,686)	14,588,769	62,997,750	1,03,37,113	(13,870,291)	918,765	(5,25,73,700)	5,19,88,264
Other Information										
Segmental assets	181,642,570	32,727,823	185,970,709	348,254,633	129,508,981	25,73,70,374	45,078,759	186,731,614	815,159,300	2,182,444,763
Segmental liabilities	65,678,949	7,761,647	49,280,496	1,552,344	-	13,24,28,452	9,348,943	1,082,038	260,994,458	528,127,327
Capital expenditure	58,542	58,542	29,03,988	-	-	2,54,964	11,693,003	-	133,561	15,102,600
Depreciation	98,060	1,02,151	2,94,114	14,98,957	-	-	18,54,628	4,199	11,458,968	15,311,077

Notes:

(I) **Business Segments:** The entity's business segments have been classified as above. This business segregation forms the basis for review of operating performance by the management. The following are the business segments identified by the management:

- **Debt and equity market operations** comprises dealing/trading in securities and bonds which involves exposure to market risk.
- **Corporate finance and advisory** comprises merchant banking, underwriting commission, corporate and infrastructure advisory and loan syndication fees and arranger of debts/bonds, etc. These are mainly in the nature of services involving no or negligible risk.
- **Wealth / Broking activities** comprises commodity broking on various commodity exchanges in the country, stock and share broking on National Stock Exchange of India Limited and Bombay Stock Exchange Limited and other related ancillary services and comprises broking and commission of mutual funds, equity initial public offerings, capital gain bonds, fixed deposits of government undertakings and RBI taxable bonds, etc. These are mainly in the nature of services involving no or negligible risk and Real Estate broking activities.
- **Finance activities** comprises granting of loans.
- **Infrastructure advisory** comprises advisory services in relation to infrastructure projects mainly in the nature of services involving no or negligible risk.
- **Healthcare Activities** comprises to establish, administer, own & run the eye care hospitals.
- **Investment activities** comprises of profit on sale of investment.
- **Others** involves the business which are not reportable segment during the year.

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.30 Statement of Net Assets and Profit or Loss attributable to owners and minority interest

As at 31 March 2018

	Name of Entity	Reporting Currency	As % of consolidated net assets	Net Assets, i.e total assets minus total liabilities	As % of consolidated profit or loss	Share in profit or (loss)
A.	Parent					
	Avonmore Capital & Management Services Ltd.	INR	38.45%	97,76,71,041	79.32%	20,67,76,100
B.	Indian Subsidiaries					
1	Glow Apparels Private Limited	INR	1.07%	2,70,89,037	(0.004%)	(10,704)
2	Almondz Global Securities Limited	INR	51.87%	1,31,90,43,682	18.002%	4,69,30,596
3	Almondz Info system Private Limited	INR	0.02%	5,15,645	0.004%	9,596
4	Anemone Holdings Private Limited	INR	0.28%	71,21,692	2.711%	70,66,697
5	Apricot Infosoft Private Limited	INR	1.16%	2,94,99,306	(0.008%)	(22,044)
6	Avonmore Developers Private Limited	INR	3.30%	8,38,32,556	(0.015%)	(39,348)
7	Latitude 23 Communications Limited	INR	0.01%	2,64,790	(0.005%)	(12,538)
8	Red Solutions Private Limited	INR	3.85%	9,78,79,611	(0.003%)	(8,117)
	TOTAL			2,54,29,17,360		26,06,90,238
C.	Adjustment due to consolidation			(1,21,23,50,610)		(85,10,687)
	Minority Interest in Subsidiary			56,85,53,905		2,73,72,738
	Indian Subsidiaries					
D.	Associates					
	Indian					
1	Carya Chemicals & Fertilizers Private Limited	INR		10,29,00,162		Nil
2	Yug Infrastructures Private Limited	INR		315,79,473		1,07,129
3	Willis Towers Watson India Insurance Brokers Private Limited	INR		56,10,60,916		70,74,583
4	Almondz Insolvency Resolutions Services Private Limited	INR		(10,70,088)		(6,85,439)
5	Premier Alcobev Private Limited	INR		34,14,03,000		1,72,20,500

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Notes to Consolidated Financial Statements

(Amounts in Indian Rupees)

2.30 Statement of Net Assets and Profit or Loss attributable to owners and minority interest (Contd.)

As at 31 March 2017

	Name of Entity	Reporting Currency	As % of consolidated net assets	Net Assets, i.e total assets minus total liabilities	As % of consolidated profit or loss	Share in profit or (loss)
A.	Parent					
	Avonmore Capital & Management Services Ltd.	INR	34.03%	77,08,94,941	110.21%	6,20,62,325
B.	Indian Subsidiaries					
1	Glow Apparels Private Limited	INR	1.20%	2,70,99,741	(0.18%)	(103,400)
2	Almondz Global Securities Limited	INR	55.41%	1,25,51,92,479	(8.24%)	(4,641,218)
3	Almondz Info system Private Limited	INR	0.02%	5,06,049	0.02%	13,601
4	Anemone Holdings Private Limited	INR	0.002%	54,995	(0.01%)	(6,775)
5	Apricot Infosoft Private Limited	INR	1.30%	2,95,21,350	(0.03%)	(18,996)
6	Avonmore Developers Private Limited	INR	3.70%	8,38,71,904	(0.03%)	(18,980)
7	Latitude 23 Communications Limited	INR	0.01%	2,77,328	(0.03%)	(18,503)
8	Red Solutions Private Limited	INR	4.32%	9,78,83,732	(1.70%)	(954,724)
	TOTAL		100%	2,26,53,02,519	100%	56,313,330
C.	Adjustment due to consolidation			(1,19,11,92,639)		(43,25,066)
	Minority Interest in Subsidiary			5,8,02,07,558		17,24,142
	Indian Subsidiaries					
D.	Associates					
	Indian					
1	Carya Chemicals & Fertilizers Private Limited	INR		10,14,00,162		-
2	Yug Infrastructures Private Limited	INR		3,13,65,215		1,26,659
3	Premier Alcobev Private Limited	INR		29,64,22,330		83,71,511

As per our report of even date attached.

For **Mohan Gupta & CO.**

Chartered Accountants

Firm Registration No. 006519N

**For and on behalf of Board of Directors of
Avonmore Capital & Management Services Limited**

CA Mohan Gupta
Partner
Membership No. - 082466

Ashok Kumar Gupta
Managing Director
DIN: 02590928

Govind Prasad Agrawal
Director
DIN: 00008429

Sagar Gupta
Company Secretary
ACS: A42611

Swapan Guha
Chief Financial Officer
PAN: AFFPG3618G

Place: New Delhi
Date: 30 May 2018

AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED

Schedule to the Balance Sheet of a non - deposit taking Non-Banking Financial Company

(as required in terms of paragraph 13 of Non- Banking Financial) (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) direction, 2007)

(Rs. in Lakhs)

	Particulars	Amount Outstanding	Amount Overdue
	Liabilities side		
(1)	Loans and advances availed by Non-Banking Financial Company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured : Unsecured (other than falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loan	-	-
	(d) Inter-corporate loans and borrowing	-	-
	a) from holding company-Unsecured	-	-
	b) from others-Unsecured	-	-
	(e) Commercial Paper	-	-
	(f) Other loans	-	-
	Unsecured loan repayable on demand	-	-
	Assets side		
(2)	Break - up of loans and Advances including bills receivables (other than those included in (4) below		Amount Outstanding
	(a) Secured		-
	(b) Unsecured		2,623.50
(3)	Break - up of Leased Assets and stock on hire and other asset counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-

Schedule to the Balance Sheet of a non - deposit taking Non-Banking Financial Company (Contd.)

(Rs. in Lakhs)

	Particulars	Amount
(4)	Break-up of Investments	
	Current Investments:	
	(1) Quoted:	
	(i) shares : (a) Equity	-
	(b) Preference	-
	(ii) Debenture and Bonds	-
	(iii) Units of mutual Funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	(2) Unquoted:	
	(i) shares : (a) Equity	-
	(b) Preference	-
	(ii) Debenture and Bonds	-
	(iii) Units of mutual Funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Long Term Investments:	
	(1) Quoted:	
	(i) shares : (a) Equity	3,802.85
(b) Preference	-	
(ii) Debenture and Bonds	-	
(iii) Units of mutual Funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	
(2) Unquoted:		
(i) shares : (a) Equity	1,441.13	
(b) Preference	960.00	
(ii) Debenture and Bonds	-	
(iii) Units of mutual Funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	11.83	
Total	6,215.81	

Schedule to the Balance Sheet of a non - deposit taking Non-Banking Financial Company (Contd.)

(Rs. in Lakhs)

(5)	Borrower group - wise classification of assets financed as in (2) and (3) above:		
	Category	Amount net of provision	
		Secured	unsecured
	(1) Related Parties		
	(a) Subsidiaries	-	202.50
	(b) Companies in the same group	-	1,139.50
	(c) Other related parties	-	-
	(2) Other than related parties	-	1,281.50
	Total	-	2,623.50

(6)	Investor group - wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market Value/ Break up or fair value of NAV	Book Value (net of Provisions)
	(1) related Parties		
	(a) Subsidiaries	5,762.70	6,203.12
	(b) Companies in the same group	-	-
	(c) Other related parties	0.86	0.86
	(2) Other than related parties	11.83	11.83
	Total	5,775.40	6,215.81

(7)	Other information	
	Particulars	Amount
	(i) Gross Non- Performing Assets	
	(a) Related Parties	
	(b) Other than related Parties	15.00
	(ii) Net Non- Performing Assets	
	(a) Related Parties	
	(b) Other than related Parties	15.00
	(iii) Assets acquired in satisfaction of debt	

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Avonmore Capital & Management Services Ltd.

F-33/3, Phase-II, Okhla Industrial Area, New Delhi - 110 020, Tel.: +91-11-26385056