

INDEPENDENT AUDITORS' REPORT

To
The Members of
Master Capital Services Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Master Capital Services Limited ("the Company")**, which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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.

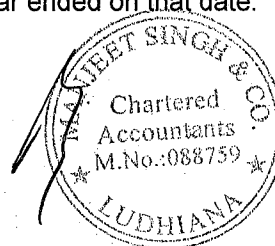
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on 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 and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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'.
 - (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 Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 17 to the financial statements.
 - (ii) The Company did not have any outstanding long-term contracts including derivative contracts as at 31 March, 2018 for which there were any material foreseeable losses: and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Ludhiana, 29th May, 2018

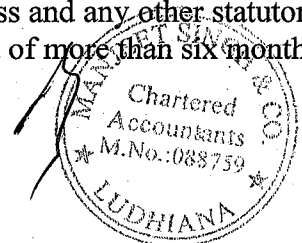
For Manjeet Singh & Co.
Chartered Accountants
FRN 11831N
Chartered
Accountants
M.No.:088759
Manjeet Singh
Prop.
(Membership No. 088759)

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets:
 - (b) Fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company through registered sale deeds except in one case in which title of the office is held through Builder Agreement/documents duly transferred in the name of the company in the records of builder and New Delhi Municipal Council only.
2. The inventory, which are held in dematerialized/physical form, has been verified at reasonable interval by the management and no material discrepancies were identified on such verification.
3. The Company has granted loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) The terms and conditions of the grant of above said loan are not prejudicial to the company's interest;
 - b) In the case of the above said loan granted to the party covered in the register maintained under section 189 of the Act, the terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 read with Section 186 and 186 of the Act, with respect to loans, investments, guarantees and security as applicable.
5. The company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears as at 31 March, 2018 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to the debenture holders.
 9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) . Further money raised by the company by way of term loans during the year were applied for the purpose for which it was raised.
 10. According to the information and explanations given to us, no material fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
 11. According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
 12. In our opinion and according to the information and explanations given to us, the Company is not a NIDHI company. Accordingly paragraph 3(xii) of the Order is not applicable.
 13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
 14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year.
 15. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
 16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Ludhiana, 29th May, 2018

For Manjeet Singh & Co.
Chartered Accountants
ERN 011821N
Chartered Accountants
M.No.:088759
Manjeet Singh
Prop.
(Membership No. 088759)

ANNEXURE B 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")

We have audited the internal financial controls over financial reporting of Master Capital Services Ltd ('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

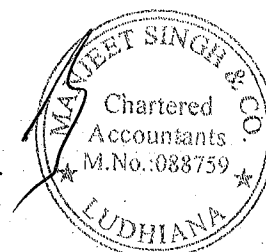
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 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.

Ludhiana, 29th May, 2018

For Manjeet Singh & Co.
Chartered Accountants
FRN 011831N
Chartered Accountants
M.No.:088759
Manjeet Singh
Prop.
(Membership No. 088759)



MASTER CAPITAL SERVICES LTD

BALANCE SHEET AS AT 31st March 2018

PARTICULARS	Note	AS AT 31.03.2018	AS AT 31.03.2017
Equity & Liabilities			
Shareholders' Funds			
(a) Share Capital	1	59000000	59000000
(b) Reserves & Surplus	2	872299635	813634942
		931299635	872634942
Non-Current Liabilities			
(a) Long Term Borrowings	3	749814170	627193465
(b) Deferred Tax Liabilities(Net)	19	-	887010
		749814170	628080475
CURRENT LIABILITIES			
a) Short Term Borrowings	4	78566017	945560
b) Trade Payables		1985024029	1841924483
c) Other Current Liabilities	5	70431738	66396561
d) Short Term Provisions	6	16850665	11987146
		2150872450	1921253750
Total		3831986254	3421969167
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	51951951	57489453
Deferred Tax Asset	19	1865130	-
Non-current Investments	8	192700087	226788587
Long Term loans & advances	9	45811020	66407238
Current Assets			
a) Inventories	10	1082707	-
b) Trade Recievables		1140585936	849447133
c) Cash & Cash Equivalents		2099878188	2016261226
d) Short Term Loans & Advances		298111235	205575531
		3539658066	3071283890
Total		3831986254	3421969167


Significant Accounting Policies & Notes on Financial Statements 1 to 30

As per our Report of even date

For Manjeet Singh & Co.

Chartered Accountants

FRN 011831N



 Manjeet Singh
 Prop.
 M.no. 088759

Place: Ludhiana


Date: 29.05.2018

For and on behalf of the Board


 Sukhbir Singh
 GM - Finance


 Divyesh Jani
 Company Secretary


 R. K. Singhania
 Managing Director
 DIN-00077540


 Harjeet Singh Arora
 Managing Director
 DIN-00063176

MASTER CAPITAL SERVICES LTD

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

PARTICULARS	Note	For the year ended 31st March, 2018	For the year ended 31st March, 2017
CONTINUING OPERATIONS			
Incomes			
Revenue from Operations	11	1105843779	863926134
Other Incomes	12	65402102	29722063
		1171245881	893648197
Expenses			
Employee Benefit Expenses	13	192839982	145322594
Administrative & Other Expenses	14	689843740	549266142
Finance Costs	15	167712556	144391609
Depreciation	7	25678808	16927169
Total		1076075087	855907514
Profit before Tax		95170794	37740683
Provision for Taxation			
- Current Year		28500000	11250000
-Deferred Tax		(2752140)	(1579393)
-Current tax expense relating to prior years		(958576)	555543
Profit for the Year		70381510	27514533
Provision for Dividend		9735000	0
Provision for DDT		1981817	0
Balance carried over to Balance Sheet		58664693	27514533
EPS(Basic & Diluted)	21	11.93	4.66
Weighted average number of shares outstanding		5900000	5900000

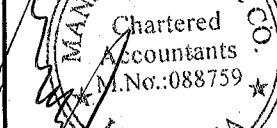
Significant Accounting Policies & Notes on Financial Statements 1 to 30

As per our Report of even date

For Manjeet Singh & Co.

Chartered Accountants

FRN 019831N



Manjeet Singh
Prop.

M.no. 088759

Place: Ludhiana

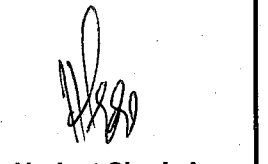
Date: 29.05.2018

For and on behalf of the Board


Sukhbir Singh
GM - Finance


Divyesh Jani
Company Secretary


R. K. Singhania
Managing Director
DIN-00077540


Harjeet Singh Arora
Managing Director
DIN-00063176

MASTER CAPITAL SERVICES LIMITED


CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

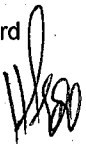
PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. CASH FROM OPERATING ACTIVITIES	(in Lacs)	(in Lacs)
Net Profit before Tax & other extraordinary items	951.71	377.41
Adjustment for :		
Depreciation	256.79	169.27
Adjustment for Excess Less/Provisons	9.59	(5.56)
Profit on Sale of investment	(183.19)	(77.93)
Profit/loss on Sale of Fixed asset	0.12	(1.44)
Interest/Dividend	(6.14)	(4.04)
Operating Profit before working capital changes	1028.88	457.71
Adjustments for increase / (decrease) in operating assets:		
Trade & Other receivables	(2911.39)	9.60
Inventories	(10.83)	0.00
Short-term loans and advances	(925.36)	496.53
Long-term loans and advances	205.96	(174.20)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1431.00	6167.31
Other current liabilities	40.35	(1550.19)
Short-term borrowings	771.17	(757.50)
Long-term borrowings	1202.66	1008.51
Short-term provisions	(68.53)	(28.50)
Cash Generated from Operations	763.92	5629.29
Direct Tax Paid	(285.00)	(112.50)
Net Cash from/(used in) Operating Activities	478.92	5516.79
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(209.91)	(81.48)
Sale of Fixed Assets	8.38	2.21
Interest & Dividend Received	6.14	4.04
Purchase/Sale of Investment(Net)	524.07	(483.49)
Net Cash from/(used in) Investing Activities	328.68	(558.73)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Raising of Loans	28.58	16.40
Net Cash from/(used in) Financing Activities	28.58	16.40
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	836.17	4974.46
Cash & Cash Equivalents as at 01.04.2017(Opening Balance)	20162.61	15188.15
Cash & Cash Equivalents as at 31.03.2018 (Closing Balance)	20998.78	20162.61

As per our report of even date
 For **Manjeet Singh & Co.**
 Chartered Accountants
 (F.No. 011831N)
 Chartered Accountants
 (Manjeet Singh) No.: 088759
 Prop.
 M. No-088759
 Place : Ludhiana
 Date: 29.05.2018


 (Sukhbir Singh)
 GM- Finance


 (Divyesh Jani)
 Company Secretary

For and on behalf of the Board

 (R.K. Singhania)
 Managing Director
 DIN-00077540


 (Harjeet S. Arora)
 Managing Director
 DIN-00063176

MASTER CAPITAL SERVICES LIMITED

Significant Accounting Policies :

1. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the SEBI as applicable to a Stock Broking Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2. Fixed Assets :

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

3. Depreciation and Amortisation :

Depreciation on fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.

4. Investments :

Long term investments are valued at cost unless there is a decline in value other than Temporary. Current Investments are stated at lower of Cost or fair value.

5. Stock in Trade :

Closing stock has been valued at cost or net realisable value which ever is less.

6. Revenue Recognition :

The company follows the mercantile system of accounting and recognize profit or loss on that basis except income from DP operations which is net of unrealized amount of Demat accounts having NIL holding at the end of year and are being accounted for on receipt basis.

7. Employee benefits :

Defined Contribution Plans :

- a) Under the Provident Fund plan, the Company contributes to a government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution.
- b) Leave encashment is payable to eligible employees, who have earned leaves, during the employment and/or on separation as per the Company's policy.

Defined Benefit Plans (Gratuity):

The Company has a defined benefit Gratuity plan covering all its employees. Gratuity is covered under a scheme of Life insurance Corporation of India (LIC). Provision for gratuity, which is defined benefit plan, is made on the basis of an actuarial valuation, as per AS-15 issued by ICAI, carried out by an independent actuary at the balance sheet date, using the projected unit credit method.

8. Impairment of Assets :

The company is making an assessment whether any indication exists that an asset has been impaired at the end of the year. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

9. Provisions, Contingent Liabilities & Contingent Assets :

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements, A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

10. Borrowing Cost :

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

11. Taxes on Income :

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of the other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such item relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance Sheet date for their realisability.

12. Provisions And Contingencies :

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statement, A Provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

MASTER CAPITAL SERVICES LTD

Note 1 SHARE CAPITAL

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
Authorized 6100000 Equity Shares of Rs.10/- each fully paid up	61000000	61000000
Issued, Subscribed & Paid Up 5900000 Equity Shares of Rs. 10/- each	59000000 59000000	59000000 59000000

The details of shareholders holding more than 5% shares:

Name of the shareholder	AS AT 31.03.2018		AS AT 31.03.2017	
	Number of shares held	% of holding	Number of shares	% of holding
Master Trust	5900000	100	5900000	100

The reconciliation of the number of shares and amount outstanding is set out below :

Particulars	AS AT 31.03.2018	AS AT 31.03.2017
	Number of shares	Number of shares
Equity Shares at the beginning of the year	5900000	5900000
Equity Shares at the end of the year	5900000	5900000

Note 2 RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
General Reserves		
As per last Balance Sheet	11973635	11973635
Transferred During the Year		
Closing balance	11973635	11973635
Securities Premium	12000000	12000000
Capital Reserve	2000000	2000000
Balance in Profit & Loss Account		
As per Last Balance Sheet	787661307	760146773
Transferred during the Year	58664693	27514533
Closing balance	846326000	787661307
Total	872299635	813634942

MASTER CAPITAL SERVICES LTD

Note 3 Long Term Borrowings

PARTICULARS		AS AT 31.03.2018	AS AT 31.03.2017
Secured			
Term Loans			
From Banks		60445	370806
From Others		4788232	2123394
Nature of Security and terms of repayment for Long Term secured borrowings :			
Nature of Security	Terms of Repayment		
Term Loan is secured against hypothecation of Cars	Repayable in Equal monthly instalments		
Installments falling due in respect of all the above loans upto 31 st March, 2019 have been grouped under " Current maturities "			
Unsecured			
Deep Discount Bonds		32610000	32610000
Interest on DDB accrued but not due		712355493	592089264
Total		749814170	627193465

CURRENT LIABILITIES

Note 4 Short Term Borrowings

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
From Banks/Financial Institutions (Secured)		
Overdraft Facility(Against FD)	240046	9496
Overdraft Facility(Against Units)	272688	0
Amt due to Holding Company & Subsidiaries for Business Operations	78053283	936064
Total	78566017	945560

Note 5 Other Current Liabilities

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
Current Maturities of Long Term Debt	1700534	857820
Other Liabilities	62135000	58708560
Other Liabilities(Statutory Dues)	6596204	6830181
Total	70431738	66396561

Note 6 Short term Provisions

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
Provision for employee benefit (gratuity) (See Note 26)	5133848	11987146
Provision For Dividend	9735000	-
Provision For DDT	1981817	-
Total	16850665	11987146

MASTER CAPITAL SERVICES LIMITED

Note 7 Fixed Assets

Tangible Assets	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
	AS AT 01/04/2017	ADDITIONS DURING THE YEAR	SALES /DISCARDED	AS AT 31/03/2018	AS AT 01/04/2017	WRITTEN BACK	FOR THE YEAR	AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
LAND & BUILDING	32,297,939	1,334,800	-	33,632,739	8,992,460	-	441,667	9,434,126	24,198,613	23,305,479
FURNITURE & FIXTURE	17,715,030	426,219	-	18,141,249	13,829,880	-	1,260,322	15,090,201	3,051,048	3,885,150
OFFICE EQUIPMENT	23,630,346	1,314,610	-	24,944,956	21,335,230	-	1,036,458	22,371,688	2,573,270	2,295,116
COMPUTER	135,101,030	11,500,387	-	146,601,417	114,560,840	-	20,254,864	134,815,704	11,785,713	20,540,189
VEHICLES	20,203,582	6,415,276	2,707,934	23,910,924	13,555,249	1,857,947	2,279,868	13,977,170	9,933,752	6,648,333
ELECTRIC EQUIP/FITT.	4,548,693	-	-	4,548,693	3,733,507	-	405,630	4,139,137	409,556	815,186
G. TOTAL	233,496,619	20,991,292	2,707,934	251,779,977	176,007,166	1,857,947	25,678,808	199,828,026	51,951,951	57,489,453
	225,728,009	8,148,218	379,608	233,496,619	159,383,000	303,004	16,927,169	176,007,166	57,489,453	66,345,008

MASTER CAPITAL SERVICES LTD

Note 8 Non Current Investments

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
(Quoted)		
8250(8250) Equity shares of Rs.10/- each of Raghuvanshi Mills Ltd.	90750	90750
125(125) Equity shares of Rs.10/- each of Varun Shipping Ltd.	2250	2250
1392(1392) Equity Shares of Rs.10/- each of MOIL	522000	522000
Nil (1145000) Equity Shares of Rs. 10/- each of Prime Industries Limited	-	2320500
56 (56) Equity Shares of Rs. 10/- each of Tata Power Limited	3360	3360
12870 (12870) Equity Shares of Rs. 10/- each of NCCLimited	257400	257400
20347(70694) Equity Shares of Rs.10/- each of Bombay Stock Exchange Ltd.	-	-
(Unquoted)		
Investments In Subsidiaries		
810007(810007) Equity Shares of Rs. 10/- each of Master Portfolio Services Ltd	20100070	20100070
550007(550007) Equity Shares of Rs. 10/- each of Master Commodity Services Limited	34904570	34904570
500000(499970) Equity Shares of Rs. 10/- each) of Master Insurance Brokers Limited	5524300	5524300
Investments in Others		
36037(36037) Equity Shares of Rs.1/- each of Delhi Stock Exchange	1295287	1295287
100(100) Fully paid up equity shares of Rs.1/- of Ludhiana Stock Exchange Ltd	100	100
Nil(4) Equity Shares of Rs. 10/- each of Master Projects Private Limited)	-	1057500
Investments in Mutual Funds		
Quoted		
Nil(5000000) units of Rs.10 each of ICICI Mutual Fund	-	50710500
5000000(3000000) units of Rs.10 each of Reliance Mutual Fund	50000000	30000000
2500000(2500000) units of Rs.10 each of Birla Sunlife Mutual Fund	25000000	25000000
2000000(2000000) units of Rs.10 each of HDFC Mutual Fund	20000000	20000000
1612756.74(1612756.74) units of Rs.10 each of L AND T Mutual Fund	20000000	20000000
1477352.191(1477352.19) units of Rs.10 each of IDFC Corporate Bond	15000000	15000000
Market Value of Quoted Investment Rs. 14.80 Cr(18.73 Cr)		
Total	192700087	226788587

MASTER CAPITAL SERVICES LTD

Note 9 Long Term Loans & Advances

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
Security Deposits(Unsecured , Considered Good)	36999289	40682296
Advance Income Tax/ TDS refundable (Net of Provision for Tax)	8811731	25724941
Total	45811020	66407238

Note 10 CURRENT ASSETS

PARTICULARS	AS AT 31.03.2018	AS AT 31.03.2017
a) Inventories (Securities)	1082707	-
b) Trade Recievables (Unsecured Considered good)		
- Over six months old	19479251	72039773
- Others	1121106685	777407360
	1140585936	849447133
c) Cash &Cash Equivalent		
i) Cash in hand	696746	1385837
ii) With Schedule Banks in		
- Current Account	94073650	65279472
- Cheques In Hand (Net)	14097893	147884762
- Fixed Deposit pledged against overdraft facility,Margin with Exchange and Bank Guarantee etc.	1991009899	1801711155
	2099878188	2016261226
d) Short Term Loans and Advances		
- Advances recoverable in cash or in kind or for value to be received	146620722	84268129
- Prepaid Expenses	5446236	7911451
Amt due from Holding Company & Subsidiaries for Business Operations	146044277	113395952
	298111235	205575531
Total	3539658066	3071283890

Note 11 Revenue From Operations

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income from Brokerage, Sale/Purchase of Securities	762574423	613039612
Interest	325226521	236621641
DP Income	13399195	12271660
Professional Income	4030000	1589565
Dividend Income	613641	403655
Total	1105843779	863926134

Note 12 Other Income

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit on Sale of Investments(Long Term Net)	18318750	7792939
Other Income	47083352	21929124
Total	65402102	29722063

MASTER CAPITAL SERVICES LTD**Note 13 Employee Benefit Expenses**

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries and other Allowances	187512441	140089919
Contribution to Provident Funds	1674156	1517870
Staff Welfare Expenses	3653386	3714805
Total	192839982	145322594

Note 14 ADMINISTRATIVE EXPENSES

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Printing & Stationery	5099984	3621776
Legal & Professional Charges	19299444	27466051
Payments to auditors		
As auditors - statutory audit	450000	450000
For taxation matters	150000	150000
Fees & Taxes	6489159	5335153
Rent	21292491	16565287
Office Maintenance	17937843	14508740
Traveling & Conveyance	9041973	6911331
Demat / Remat charges	5850144	5653687
Computer & Software Expenses	43453976	33180714
Loss on Sale of Fixed Assets	11987	
VSAT Charges	2463775	2205234
Sub Brokerage	325614057	260315609
General Expenses	20624127	13174040
Bad Debts w/off	47983856	23957978
Telephone, Postage & Server Hosting	26442770	29223252
Turnover Tax/Transaction charges	137638155	106547290
Total	689843740	549266142

Note 15 Finance Costs

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest	166649313	141968464
Bank Charges	1063243	2423144
Total	167712556	144391609

Note 16 Related Party Disclosure

As required by AS-18, Related party Disclosures, are given below:

Transaction with related parties

	Holding/Fellow Subsidiaries/ Subsidiaries	Associates/Enterprises owned or significantly influenced by Key Management Persons or their Relatives	Key Management Personnel	Relative of Key Managerial Persons	
	Master Trust Ltd	Prime Industries Ltd	Mr. Harjeet Singh Arora	Mrs. Harneesh Kaur Arora	
	Master Infrastructures & Real Estate Ltd	Master Shares & Stock Brokers Ltd	Mr. R.K. Singhania	Mrs. Palka Arora	
	Master Commodity Services Ltd	Harjeet Singh Arora HUF	Mr. G.S. Chawla	Mrs. Charu Chhabra	
	Master Insurance Brokers Ltd	H K Arora Real Estate Services Ltd	Mr Pawan Chhabra	Mrs. Guneet Chawla	
	Master Portfolio Service Ltd	Pawan Capital Services Ltd	Mr. Harinder Singh	Mr. Maninder Singh	
	H.A. Shares & Stock Brokers Ltd.	H. Arora & Co.	Mr.Jashanjyot Singh	Mr. Chirag Singhania	
		R. K. Singhania HUF	Mr.Puneet Singhania	Mrs. Rohila Singhania	
		Santco India Pvt. Ltd		Mrs. Parveen Singhania	
		Partnership Firms		Mrs. Isha Singhania	
		PHDA Financial Services Pvt Ltd			
		Vision Investments			
		Hindola investments Pvt Ltd			
		Subal Securities Pvt Ltd			
		MTL Capital Consultants Pvt Ltd			
		Harinder Singh HUF			
					Total
Brokerage	33110769 (2168504)	49067 (244679)	60584 (119648)	7506 (13951)	33227926 (2546782)
Interest Received	30577876 (10505970)	-	-	-	30577876 (10505970)
Interest Paid	2783233 (4340868)	-	-	-	2783233 (4340868)
Professional Charges	1500000 (5600000)	-	-	-	1500000 (5600000)
Remuneration	-	-	8339904 (4739904)	-	8339904 (4739904)
Rent Received	(645750)	(38250)	-	-	(684000)
Commision Received	1828936 (995950)	-	-	-	1828936 (995950)
Rent Paid	1846200 (900000)	1915560 (84600)	177000 (108000)	177000 (108000)	4115760 (1200600)
Corporate Guarantees given by others	500000000 (720000000)	-	-	-	500000000 (720000000)
<i>Balance outstanding at the end of the year</i>					
Receivable / Loans	163117927 (113395952)	165260	1436839 (1251)	241	164720267 (113397203)
Payable	78097635 (1251064)	79818 (106404)	1076696 (198116)	701874.28 (2349638)	79956023 (3905222)

17 Contingent Liabilities Not Provided For In Respect of

Particulares	In lacs	
	As At 31st, March 2018	As At 31st, March 2017
Claims against the Company not acknowledged as debts in respect of :		
Court Cases (i) & (ii)	370.31	370.31
Bank Guarantees -		
National Securities Clearing Corporation Ltd. as its Clearing Member for exposure with Capital/Currency market segment.	25.00	1475.00
Bombay Stock Exchange as a Clearing Member for exposure with capital market segment.	-	375.00

(i) An Arbitration Panel at Patna has passed an Arbitration Award against the company for alleged unauthorised trading on behalf of a client for an amount of Rupees 3.47 crore plus 15% per month. The amount of Rs 3.47 Crore has also been deposited in the form of FDR.

The Arbitration Award is being contested by the Company at various forums / courts and is sub-judice. In view of the management and the legal advice sought, no liability is likely to arise. Therefore, provision for contingent liability for the same has not been provided in the books of accounts.

(ii) The company is involved in various small legal proceedings for various claims related to the ordinary course of its business. In respect of these claims, the company believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have a material adverse effect on its financial statements. In view of the management and the legal advice sought, no provision is required to be made in case litigation against/ by the company. Therefore, provision for the same has not been provided in the books of account.

18 (i) The Company has a procedure of receiving FDRs from its clients as margins. Such Fixed Deposits are in the name of the Company and are kept with the principle Stock Exchange as margin money. The Interest earned/accrued on such FDRs is credited by the issuing bank directly to the account of the concerned clients, as such the interest on such FDRs has not been accrued to the Company's account.

(ii) The Company has also a procedure of receiving Bonds from its clients as margins. The bonds are held by the company in the Pool account. However interest/ TDS has been directly credit to the related client under the provision of rule 37BA(2) of income tax act 1961.

19 Deferred Tax Liability as on 31-03-2018 is as follows:

**Timing difference on account of
Deferred Tax Liabilities on 31-03-2018 is as follows:**

Particulars	Current Year	Previous Year
On account of Depreciation		
- Opening	4849961	7280284
- During the year	-5017841	-2430324
- Closing	-167880	4849961

Deferred Tax Assets on 31-03-2018 is as follows:

Particulars	Current Year	Previous Year
On account of Gratuity		
- Opening	3962950	4813881
- During the year	-2265700	-850931
- Closing	1697250	3962950
Net Deferred Tax Liability	-1865130	887010

20 Amortization

Intangible Assets are stated at cost less accumulated amount of amortization./impairment loss. Intangible Assets (computer software) are amortized on straight line method over their estimated useful life. In accordance with the Accounting Standard - 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India, the amortization period and the amortization method is reviewed at each period end.

- 21 Calculation of basic and diluted earning per share as per accounting standard (earning per share) issued by the Institute of Chartered Accountants of India.

Particulars	Current Year	Previous Year
Net Profit in Rupees	70381510	27514533
Number of equity shares Outstanding during the year	5900000	5900000
Nominal Value per share in (Rs.)	10.00	10.00
Basic and diluted earning per share	11.93	4.66

- 22 In the opinion of Board of Directors, Current assets, Loans & Advances have the value at which they are stated, if realized in ordinary course of business.

- 23 The Company had issued 4000 Deep Discount Bonds (DDB) in the previous years, outstanding Face Value at the end of the year amounting to Rs326.1 Lacs (As at 31st March, 2017: Rs. 326.1 Lacs), to augment the working capital and other requirements. Interest is accounted for on mercantile basis. However, as per the provisions of Income Tax Act, the tax will be deducted at source at the time of maturity/redemption.

- 24 Details of Guarantees & Loans covered under the provisions of Section 186 of Act, are given in the notes 10, 17 (a), (b), & 16 to the Financial Statement.

- 25 Expenditure in Foreign Currency Rs. 3.34 Lacs (previous year Rs. 1.88 Lacs)

- 26 The company is engaged in share & stock broking and allied activities and there are no separate reportable segments as per Accounting standard -17 on "Segment reporting".

27 Gratuity(post employment benefit plan)

The company operates a defined plans viz gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Changes In the present value of the defined benefit obligation are as follows :

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening defined benefit obligation	22023529	14837051
current service cost	4020119	2619886
Interest cost	1651765	1186964
Benefits paid	-1775615	1422161
Acturial (gain)losses on obligation	2496873	4801789
Closing defined benefit obligation	28416671	22023529

Changes in the fair value of plan assets as on 31/03/2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Fair value of plan assets at beginning of year	10011078	-
Expected return on plan assets	746745	-
Contributions	12500000	10011078
Benefits Paid	-	-
Actuarial gain/(loss) on Plan assets	-	-
Fair value of plan assets at the end of year	23257823	10011078

Amount Recognized in the Balance Sheet

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Present value of defined benefit obligation	28416671	22023529
Fair value of plan assets	23257823	10011078
Plan liability	5158848	12012451

Expenses Recognized in the Statement of Profit & Loss

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current service cost	4020119	2619886
Interest cost on benefit obligation	1651765	1186964
expected return on plan assets	-746745	-
Net actuarial(gain)/loss recognised in the year.	2496873	4801789
Total	7422012	8608639

The principal assumptions used in determining gratuity obligation for the company's plan are shown below

Discount rate	7.50	8.00
Expected rate of Future salary esclation	7.00	7.00

28 Income from Brokerage, Sale/Purchase of securities include Brokerage of Rs 761507147.(Previous Year Rs. 607989458.), and Profit/(Loss) on Trading of Securities Rs.1067276 (previous Year 5050154.). Certain common expenses for use of common facilities/services have been shared/recovered by the Associate according to usage of Services.

- 29 Disclosures relating to amount unpaid at the year end and together with Interest required under Micro, Small and Medium Enterprise Development Act 2006 have been given to the extent company has received the information from supplier's regarding the status under such Act.
- 30 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and On Behalf of Board

As per our Report of even date

For Manjeet Singh & Co.

Chartered Accountants

F/N- 011831N

Chartered
Accountants
M.No.:088759

(Manjeet Singh)

Prop.

M.no. 088759

Place: Ludhiana

Dated: 29.05.2017

(R.K. Singhania)

Managing Director

DIN-00077540

(Harjeet Singh Arora)

Managing Director

DIN-00063176

(Sukhbir Singh)

GM - Finance

(Divyesh Jani)

Company Secretary