

INDEPENDENT AUDITORS' REPORT

To

**The Members of
Master Portfolio Services Limited**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Master Portfolio Services Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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, 2019, its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Since the other information has not been made available to us, we shall not be able to comment on this aspect.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - h) 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 does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Ludhiana, 28th May, 2019

For Manjeet Singh & Co.



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 verifications.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are owned by the Company, accordingly the provisions of clause 3 (i) (c) of the Order are not applicable to the company.
2. The company's business doesn't involve inventories and accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
3. The Company has granted unsecured loans to the party covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the parties covered in the register maintained under section 189 of the Act were not prima facie, prejudicial to the interest of the Company.
 - b) In the case of the loan granted to the parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of the principal amount.
 - c) There are no overdue amounts in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
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 section 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, Goods and 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, Goods and 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, 2019 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, Goods and 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) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
 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, 28th May, 2019

For Manjeet Singh & Co.

Chartered Accountants
FIRN 011831N

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 Portfolio Services Limited** ('the Company') as of 31 March, 2019 in conjunction with our audit of the 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 were 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, 2019 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, 28th May, 2019

For Manjeet Singh & Co.
Chartered Accountants
FRN 011831N



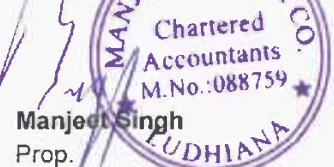
Manjeet Singh
Prop.
(Membership No. 088759)

MASTER PORTFOLIO SERVICES LIMITED**BALANCE SHEET AS AT 31st March, 2019**

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
		Rs.	Rs.
EQUITY & LIABILITIES			
Shareholders' funds			
Share Capital	1	8,100,070	8,100,070
Reserves & Surplus	2	20,807,094	19,328,231
		28,907,164	27,428,301
Current liabilities			
Trade payables	3	-	-
– Total outstanding dues of micro enterprises and small enterprises		-	-
– Total outstanding dues of creditors other than micro enterprises and small enterprises		10,467,429	19,857,162
Other current liabilities	4	1,867,887	3,851,808
Short-term provisions	5	186,271	462,017
		12,521,587	24,170,987
TOTAL		41,428,751	51,599,288
ASSETS			
Non-current assets			
Fixed assets	6	1,089	1,089
Long-term loans and advances	7	1,459,179	285,470
Deferred tax Assets	8	51,783	123,156
		1,512,051	409,715
Current assets			
Trade receivables	9	4,157,835	4,757,551
Cash and cash equivalents	10	151,544	252,707
Short-term loans and advances	11	35,607,320	46,179,314
		39,916,699	51,189,572
TOTAL		41,428,751	51,599,288
Significant Accounting Policies			
The accompanying notes are an integral part of the financial statements			

As per our Report of even date

For Manjeet Singh & Co.

Chartered Accountants
Firm Registration Number 011831N


Manjeet Singh
Prop.


Membership Number 088759

Ludhiana, 28th May, 2019

For & on behalf of the Board



Harjeet Singh Arora
Director
DIN-00063176



R. K. Singhania
Director
DIN-00077540

MASTER PORTFOLIO SERVICES LIMITED

Statement of Profit and Loss for the Period ended 31st March, 2019

Particulars	Note No.	For the period ended 31st March, 2019	For the period ended 31st March, 2018
		Rs.	Rs.
INCOME			
Revenue from operations	12	47,154,241	70,203,686
Other Income	13	8,213,324	2,481,276
Total Revenue		55,367,565	72,684,962
EXPENSES			
Employee benefits expense	14	7,059,784	7,343,245
Finance costs	15	5,316,946	12,703
Depreciation	6	-	1,021
Other expenses	16	40,964,689	57,701,558
Total Expenses		53,341,419	65,058,527
Profit before tax		2,026,146	7,626,435
Tax expense:			
Current tax		465,000	2,000,000
Deferred tax		71,373	(30,609)
Current tax expense relating to prior years		10,910	(1,999)
Profit for the year		1,478,863	5,659,043
Earnings per equity share of face value Rs. 10 each Basic and Diluted (in Rs.)		1.83	6.99
Weighted average number of shares outstanding		810,007	810,007
Significant Accounting Policies The accompanying notes are an integral part of the financial statements			

As per our Report of even date

For Manjeet Singh & Co.
 Chartered Accountants
 Firm Registration Number 011831N

Manjeet Singh
 Prop.
 Membership Number 088759
 Ludhiana, 28th May, 2019

For & on behalf of the Board


Harjeet Singh Arora
 Director
 DIN-00063176


R. K. Singhanla
 Director
 DIN-00077540

MASTER PORTFOLIO SERVICES LIMITED

Cash Flow Statement for the Year ended 31st March, 2019

Particulars	For the Year ended 31st March, 2019		For the Year ended 31st March, 2018	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit before tax and extraordinary items		2,026,146		7,626,435
<i>Adjustments for:</i>				
Depreciation and amortisation			1,021	
Provision for Gratuity	(275,746)		172,364	
		(275,746)		173,385
Operating profit before working capital changes		1,750,400		7,799,820
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	599,716		(1,745,419)	
Short-term loans and advances	10,571,994		(26,212,702)	
Long-term loans and advances	(1,173,709)		(106,072.00)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(9,389,733)		19,107,680	
Other current liabilities	(1,983,921)		3,160,074.00	
		(1,375,653)		(5,796,439)
		374,747		2,003,381
Cash flow from extraordinary items		-		-
Cash generated from operations		374,747		2,003,381
Net income tax (paid) / refunds		(475,910)		(1,998,001)
Net cash flow from / (used in) operating activities (A)		(101,163)		5,380
B. Cash flow from investing activities				
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash flow from financing activities				
Net cash flow from / (used in) financing activities (C)		-		-
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(101,163)		5,380
Cash and cash equivalents at the beginning of the year		252,707		247,327
Cash and cash equivalents at the end of the year		151,544		252,707

As per our Report of even date

For Manjeet Singh & Co.

Chartered Accountants
Firm Registration Number 021831N

Chartered
Accountants
M.No.:088759

Manjeet Singh

Prop.

Membership Number 088759

Ludhiana, 28th May, 2019

For and on behalf of the Board

Harjeet Singh Arora

Director

DIN-00063176

R. K. Singhania

Director

DIN-00077540

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

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.

B. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. 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 capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

D. Depreciation and Amortization

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.

E. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss Account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

F. Investments

Current investments are carried at lower of cost and fair value. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such a decline is other than temporary.

G. Inventories

Inventories are valued at the lower of cost and the net realizable value.

H. Revenue Recognition

The Company follows the mercantile system of accounting and recognized Profit & Loss on that basis.

I. Borrowing Costs

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.

J. 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 recognized 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 recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items 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.

K. Provisions and contingencies

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.

Notes forming part of the financial statements

Note 1 Share capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
Authorised Equity shares of Rs.10 each	1,000,000	10,000,000	1,000,000	10,000,000
Issued Equity shares of Rs.10 each	810,007	8,100,070	810,007	8,100,070
Subscribed and fully paid up Equity shares of Rs.10 each	810,007	8,100,070	810,007	8,100,070

1.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

1.2 The details of shares held by holding company:

Name of the shareholder	As at 31st March, 2019		As at 31 March, 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Capital Services Ltd	810,007	100	810,007	100

1.3 The details of shareholders holding more than 5% shares:

Name of the shareholder	As at 31st March, 2019		As at 31 March, 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Capital Services Ltd	810,007	100	810,007	100

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Number of shares	Number of shares
Equity Shares at the beginning of the year	810,007	810,007
Add: Equity shares issued	-	-
Equity Shares at the end of the year	810,007	810,007

Notes forming part of the financial statements

Note 2 Reserves and surplus

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Securities Premium Account		
As per last Balance Sheet	12,000,000	12,000,000
General Reserve		
As per last Balance Sheet	123	123
Profit and Loss Account		
As per last Balance Sheet	7,328,108	1,669,065
Add: Profit for the year	1,478,863	5,659,043
Closing balance	8,806,971	7,328,108
Total	20,807,094	19,328,231

Note 3 Trade payables

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Trade payables		
– Total outstanding dues of micro enterprises and small enterprises	-	-
– Total outstanding dues of creditors other than micro enterprises and small enterprises	10,467,429	19,857,162
Total	10,467,429	19,857,162

Note 4 Other current liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Other payables		
Statutory dues	1,141,235	3,079,338
Others	726,652	772,470
Total	1,867,887	3,851,808

Note 5 Short-term Provisions

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Provision for gratuity	186,271	462,017
Total	186,271	462,017

Note 6 Fixed assets

PARTICULARS	GROSS BLOCK				Accumulated depreciation				NET BLOCK	
	AS AT 01.04.2018	ADDITION DURING THE YEAR	SALES DURING THE YEAR	AS AT 31.03.2019	AS AT 01.04.2018	FOR THE YEAR	WRITTEN BACK DURING THE YEAR	AS AT 31.03.2019	AS AT 31.03.2019	AS AT 31.03.2018
Furniture & Fixtures	42,200.00	-	-	42,200.00	41,111.00	-	-	41,111.00	1,089.00	1,089.00
Computer Software	615,506.00	-	-	615,506.00	615,506.00	-	-	615,506.00	-	-
Total	657,706.00	-	-	657,706.00	656,617.00	-	-	656,617.00	1,089.00	1,089.00
Previous Year	657,706.00	-	-	657,706.00	655,596.00	1,021.00	-	656,617.00	1,089.00	

Note 7 Long-term loans and advances

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Security deposits Unsecured, considered good	20,000	20,000
Advance income tax (net of provision for tax)	1,439,179	265,470
Total	1,459,179	285,470

Note 8 Deffered Tax Asset/Liability

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Deferred Tax Liability On account of Depreciation	3,353	4,187
Deferred Tax Asset On account of Gratuity	48,430	118,969
Net Deferred Tax Asset/Liability	51,783	123,156

Note 9 Trade receivables

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	-	-
Trade receivables outstanding for a period less than six months from the date they were due for payment Unsecured, considered good	4,157,835	4,757,551
Total	4,157,835	4,757,551

Note 10 Cash and cash equivalents

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Cash on hand	23,309	170,351
Balances with banks In current accounts	128,235	82,356
Total	151,544	252,707

Note 11 Short-term loans and advances

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs.	Rs.
Loans and advances to related parties Unsecured, considered good	32,636,384	41,294,109
Prepaid expenses - Unsecured, considered good	313,243	486,516
Others	2,657,693	4,398,690
Total	35,607,320	46,179,315

Note 12 Revenue from operations

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Rs.	Rs.
Income from PMS	47,154,241	70,203,686
Total	47,154,241	70,203,686

Note 13 Other Income

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Rs.	Rs.
Interest/Other Income	8,213,324	2,481,276
Total	8,213,324	2,481,276

Note 14 Employee benefits expense

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Rs.	Rs.
Salaries and wages	6,903,849	7,134,929
Staff welfare expenses	155,935	208,316
Total	7,059,784	7,343,245

* Includes Gratuity amounting to Rs.1,33,004/- (Year ended March 31st, 2018 :Rs.1,72,364/-)

Note 15 Finance costs

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Rs.	Rs.
Interest expense	5,315,820	12,391
Other borrowing costs - Bank Charges	1,126	312
Total	5,316,946	12,703

Note 16 Other expenses

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Rs.	Rs.
Printing & Stationery	50,103	384,098
Rent	165,000	167,204
Commission Paid	4,396,475	3,156,149
Professional Charges	33,339,131	51,753,935
Fees & Taxes	3,600	9,250
Travelling Expenses	-	12,480
Fund Accounting & Custody Charges	2,704,874	1,881,816
Payments to auditors		
As auditors - statutory audit	75,000	75,000
For taxation matters	25,000	25,000
Postage & Courier and General Expenses	38,841	41,535
Sebi Registration Fee	166,666	195,091
Total	40,964,689	57,701,558

Notes forming parts of financial statements

17. No contingent liability exists at the end of the Financial Year.
18. In the opinion of the Board, all the Current Assets, Loans and Advances have the value on the realization in ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.
19. Related Party Disclosures

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

Holding/Fellow Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives
Master Trust Limited	Prime Industries Limited	Mr. Harjeet Singh Arora
Master Capital Services Limited	Master Share & Stock Brokers Limited	Mr. R K Singhania
Master Infrastructure & Real Estate Developers Limited	H.K Arora Real Estate Service Limited	Mrs. Harneesh Kaur Arora
Master Insurance Brokers Limited	Big Build Real Estate Private Limited	Mrs. Parveen Singhania
Master Commodity Services Limited	Amni Real Estate Private Limited	Mr. Puneet Singhania
H.A. Share & Stock Brokers Limited	Matria Estate Developers Private Limited	Mr. Chirag Singhania
	Gold Touch Agri Private Limited	Mrs. Palka A Chopra
	Master Trust Wealth Private Limited	Mr. Jashanjyot Singh Arora
	Sanawar Investments	Mrs. Priyanka Thukral
	Saint co India Private Limited	Mrs. Rohila Singhania
	Singhania Properties	Mrs. Isha Singhania
	Prime Agro Farms Private Limited	Mr. Gurmeet Singh Chawla
	Eminent Buildwell Private Limited	Mr. Amandeep Singh Chawla
	Master Projects Private Limited	Ms. Guneet Chawla
	Sanawar Agri Private Limited	
	Arora Financial Services Limited	
	Bluecircle Investments	
	Crescent Investments	
	KAG Investment and Advisors Private Limited	
	Chandi Angel Investors Forum Partnership Firms	

Transactions with related parties

In Lacs

	Holding/ Fellow Subsidiaries	Associates/Enterprises owned or significantly influenced by the key Management Persons or their Relatives	Key Management Personnel and their Relatives	Total
Remuneration	----- (-----)	----- (-----)	46.50 (46.50)	46.50 (46.50)
Interest Income	29.29 (24.81)	----- (-----)	----- (-----)	29.29 (24.81)
Brokerage Paid	25.42 (18.29)	----- (-----)	----- (-----)	25.42 (18.29)
Balance outstanding at the end of the year				
Loans & Advances	326.36 (412.94)	----- (-----)	----- (-----)	326.36 (412.94)
Sundry Creditors	46.28 (-----)	----- (-----)	----- (-----)	46.28 (-----)

20. Disclosures, relating to amounts unpaid at the year end and together with interest required under the Micro, Small and Medium Enterprises Development Act, 2006 have been given to the extent company has received information from "Suppliers" regarding their status under such Act.

21. Details of loans covered under the provisions of Section 186 of the Act, are given in the notes 11 and 19 to the Financial Statement.

22. Being the portfolio manager, to manage the funds/securities of its portfolio clients, the company has opened separate bank/ trading accounts on its name to segregate the funds/ securities of its clients from his own funds and securities and the same is duly reflected in the books of respective clients.

23. The Company engaged in the business of portfolio management and there are no separate reportable segments as per Accounting Standard- 17 on "Segment Reporting".

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

As per our Report of even date

For Manjeet Singh & Co.
FRN- 011831N
Chartered Accountants



(Manjeet Singh)
Prop.
Membership Number 088759

Ludhiana, 28th May, 2019

For & on behalf of the Board



(Harjeet Singh Arora)
Director
DIN-00063176



(R. K. Singhania)
Director
DIN-00077540