

# INDEPENDENT AUDITORS' REPORT

To the Members of Master Portfolio Services Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of **Master Portfolio Services Limited ('the Company')**, which comprise the Balance Sheet as at 31 March, 2016 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 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 thereunder.

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 financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 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 does not have any pending litigations which would impact its financial position.
    - (ii) The Company did not have any outstanding long-term contracts including derivative contracts as at 31 March, 2016 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, 27 May, 2016

For Manjeet Singh & Co.  
Chartered Accountants  
FRN 011831N  
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, 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 loan to one party covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) The terms and conditions of the grant of above said interest free 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 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, 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, 2016 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) 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, 27 May, 2016

For Manjeet Singh & Co.  
Chartered Accountants  
FRN 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, 2016 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, 2016 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, 27 May, 2016

**For Manjeet Singh & Co.**  
Chartered Accountants  
Chartered Accountants  
ERN 011831N  
At. No. 088759  
**Manjeet Singh**  
Prop.  
(Membership No. 088759)

**MASTER PORTFOLIO SERVICES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2016**

Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
		Rs.	Rs.
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	1	8,100,070	8,100,070
Reserves & Surplus	2	13,310,133	13,086,184
		<b>21,410,203</b>	<b>21,186,254</b>
<b>Current liabilities</b>			
Trade payables	3	557,379	29,084
Other current liabilities	4	578,810	383,977
Short-term provisions	5	243,711	189,443
		<b>1,379,900</b>	<b>602,504</b>
<b>TOTAL</b>		<b>22,790,103</b>	<b>21,788,758</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	6	3,131	159,257
Long-term loans and advances	7	20,000	20,000
Deferred tax asset	8	79,078	28,226
		<b>102,209</b>	<b>207,483</b>
<b>Current assets</b>			
Trade receivables	9	1,794,207	418,004
Cash and cash equivalents	10	114,731	363,737
Short-term loans and advances	11	20,778,956	20,799,534
		<b>22,687,894</b>	<b>21,581,275</b>
<b>TOTAL</b>		<b>22,790,103</b>	<b>21,788,758</b>
Significant Accounting Policies Notes on Financial Statements 1 to 21			

As per our Report of even date

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

Manjeet Singh  
Prop.  
Membership Number 088759

Ludhiana, 27<sup>th</sup> May, 2016

For & on behalf of the Board

Harjeet Singh Arora  
Director  
DIN-00063176

G.S.Chawla  
Managing Director  
DIN-00087449

**MASTER PORTFOLIO SERVICES LIMITED**

**Statement of Profit and Loss for the Year ended 31st March, 2016**

Particulars	Note No.	For the Year ended	For the year ended
		31st March, 2016	31st March, 2015
		Rs.	Rs.
<b>INCOME</b>			
Revenue from operations	12	8,810,756	7,614,469
<b>Total Revenue</b>		<b>8,810,756</b>	<b>7,614,469</b>
<b>EXPENSES</b>			
Employee benefits expense	13	4,444,830	3,726,020
Finance costs	14	738	646
Depreciation	6	156,126	161,294
Other expenses	15	3,881,388	3,496,004
<b>Total Expenses</b>		<b>8,483,082</b>	<b>7,383,964</b>
<b>Profit before tax</b>		<b>327,674</b>	<b>230,505</b>
Tax expense:			
Current tax		152,000	120,000
Deferred tax		(50,852)	(48,452)
Current tax expense relating to prior years		2,577	54
<b>Profit for the year</b>		<b>223,949</b>	<b>158,903</b>
Earnings per equity share of face value Rs. 10 each Basic and Diluted ( in Rs.)		0.28	0.20
Weighted average number of shares outstanding		810,007	810,007
Significant Accounting Policies Notes on Financial Statements 1 to 21			

As per our Report of even date

**For Manjeet Singh & Co.**

Chartered Accountants

Firm Registration Number 011831N

**Manjeet Singh**

Prop.

Membership Number- 088759

Ludhiana 27th May, 2016



For & on behalf of the Board

**Harjeet Singh Arora**

Director

DIN-00063176

**G.S. Chawla**

Managing Director

DIN-00087449



# MASTER PORTFOLIO SERVICES LIMITED

Cash Flow Statement for the Year ended 31st March, 2016

Particulars	For the Year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit before tax and extraordinary items		327,674.00		230,505.00
<i>Adjustments for:</i>				
Depreciation and amortisation	156,126.00		161,294.00	
Provision for Gratuity	44,005.00		82,152.00	
		200,131.00		243,446.00
Operating profit before working capital changes		527,805.00		473,951.00
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	(1,376,203.00)		443,577.00	
Short-term loans and advances	20,578.00		(1,502,947.00)	
Long-term loans and advances	-		1,504,479.00	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	528,295.00		4,186.00	
Other current liabilities	205,096.00		(630,456.00)	
		(622,234.00)		(181,161.00)
		(94,429.00)		292,790.00
Cash flow from extraordinary items		-		-
Cash generated from operations		(94,429.00)		292,790.00
Net income tax (paid) / refunds		(154,577.00)		(85,754.00)
Net cash flow from / (used in) operating activities (A)		(249,006.00)		207,036.00
<b>B. Cash flow from investing activities</b>				
Net cash flow from / (used in) investing activities (B)		-		-
<b>C. Cash flow from financing activities</b>				
Net cash flow from / (used in) financing activities (C)		-		-
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(249,006.00)		207,036.00
Cash and cash equivalents at the beginning of the year		363,737.00		156,701.00
Cash and cash equivalents at the end of the year		114,731.00		363,737.00

As per our Report of even date

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

Manjeet Singh

Prop.

Membership Number 088759

Ludhiana, 27th May, 2016



For and on behalf of the Board

Harjeet Singh Arora  
Director  
DIN-00063176

G.S.Chawla  
Managing Director  
DIN-00087449

## **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, 2016		As at 31 March, 2015	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b> Equity shares of Rs. 10 each	1,000,000	10,000,000	1,000,000	10,000,000
<b>Issued</b> Equity shares of Rs. 10 each	810,007	8,100,070	810,007	8,100,070
<b>Subscribed and fully paid up</b> 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 31 March, 2016-		As at 31 March, 2015	
	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 31 March, 2016		As at 31 March, 2015	
	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, 2016	As at 31st March, 2015
	Number of shares	Number of shares
Equity Shares at the beginning of the year	810,007	810,007
Equity Shares at the end of the year	810,007	810,007

Note 2 Reserves and surplus

Particulars	As at 31st March, 2016	As at 31st March, 2015
	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	1,086,061	927,158
Add: Profit for the year	223,949	158,903
Closing balance	1,310,010	1,086,061
<b>Total</b>	<b>13,310,133</b>	<b>13,086,184</b>

Note 3 Trade payables

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Trade payables	557,379	29,084
<b>Total</b>	<b>557,379</b>	<b>29,084</b>

Note 4 Other current liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Other payables		
Statutory dues	112,438	95,059
Others	466,374	288,918
<b>Total</b>	<b>578,810</b>	<b>383,977</b>

Note 5 Short-term provisions

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Provision for gratuity	221,711	177,706
Provision for tax	22,000	11,737
<b>Total</b>	<b>243,711</b>	<b>189,443</b>

Notes forming part of the financial statements:

Note 6: Fixed assets

PARTICULARS	GROSS BLOCK				Accumulated depreciation				NET BLOCK	
	AS AT 01.04.2015	ADDITION DURING THE YEAR	SALES DURING THE YEAR	AS AT 31.03.2016	AS AT 01.04.2015	FOR THE YEAR WRITTEN DURING THE YEAR	AS AT 31.03.2016	AS AT 31.03.2016	AS AT 31.03.2015	
Furniture & Fixtures, Computer Software	42,200 615,506	- -	- -	42,200 615,506	29,776 468,873	9,293 146,833	39,069 615,506	3,131	12,424 146,833	
<b>Total</b>	<b>657,706</b>	<b>-</b>	<b>-</b>	<b>657,706</b>	<b>498,449</b>	<b>156,128</b>	<b>654,575</b>	<b>3,131</b>	<b>159,257</b>	
Previous Year	657,706	-	-	657,706	337,155	161,294	498,449	159,257	320,551	

Note 7 Long-term loans and advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Security deposits Unsecured, considered good	20,000	20,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>

Note 8 Deferred Tax Asset

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Deferred Tax Asset/(Liability) On account of Depreciation	10,569	(26,685)
Deferred Tax Asset On account of Gratuity	68,509	54,911
<b>Net Deferred Tax Asset</b>	<b>79,078</b>	<b>28,226</b>

Note 9 Trade receivables

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment. Unsecured, considered good		
Trade receivables Others	1,794,207	418,004
<b>Total</b>	<b>1,794,207</b>	<b>418,004</b>

Note 10 Cash and cash equivalents

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Cash on hand	30,351	20,351
Balances with banks In current accounts	84,380	343,386
<b>Total</b>	<b>114,731</b>	<b>363,737</b>

Note 11 Short-term loans and advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
Loans and advances to related parties Unsecured, considered good	20,200,586	20,539,786
Prepaid expenses - Unsecured, considered good	385,863	87,896
Others	192,507	171,852
<b>Total</b>	<b>20,778,956</b>	<b>20,799,534</b>

Note 12 Revenue from operations

Particulars	For the Year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Professional Income	1,000,000	900,000
Income from PMS	7,810,756	6,713,747
Other Income	-	722
<b>Total</b>	<b>8,810,756</b>	<b>7,614,469</b>

Note 13 Employee benefits expense

Particulars	For the Year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Salaries and wages	4,376,657	3,661,726
Staff welfare expenses	68,173	164,294
<b>Total</b>	<b>4,444,830</b>	<b>3,726,020</b>

Note 14 Finance costs

Particulars	For the Year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Interest expense on Interest	-	-
Other borrowing costs Bank Charges	738	646
<b>Total</b>	<b>738</b>	<b>646</b>

Note 15 Other expenses

Particulars	For the Year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
Printing & Stationery	2,363	2,150
Rent	796,604	472,951
Commission Paid	-	9,288
Professional Charges	2,500,000	2,500,000
Fees & Taxes	3,400	10,000
Fund Accounting & Custody Charges	354,624	278,340
Payments to auditors		
As auditors - statutory audit	7,500	7,500
For taxation matters	2,600	2,500
General Expenses	14,397	13,278
Sebi Registration Fee	200,000	200,000
<b>Total</b>	<b>3,881,388</b>	<b>3,496,004</b>



## Notes forming parts of financial statements

16. No contingent liability exists at the end of the Financial Year.

17. In the opinion of the Board, all the Current Assets, Loans & Advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.

18. 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 Ltd	Prime Industries Ltd.	Mr. Harjeet Singh Arora
Master Capital Services Ltd.	Master Share & Stock Brokers Ltd.	Mr. R K Singhania
Master Insurance Brokers Ltd	H.K.Arora Real Estate Service Ltd	Mr. Harinder Singh
Master Commodity Services Ltd.	Prime Agro Farms Pvt Ltd	Mr. G S Chawla
H.A. Share & Stock Brokers Ltd.	Big Build Real Estate Pvt Ltd	Mr. Pavan Chhabra
Master Infrastructure & Real Estate Developers Ltd.	Amni Real Estate Pvt Ltd	Mrs. Hameesh Kaur Arora
	Matria Estate Developers Pvt Ltd	Mr. Sudhir Kumar
	MTL Capital Consultants Pvt Ltd	Mrs. Parveen Singhania
	Sanawar Investments	Mr. Puneet Singhania
	PHDA Financial Services (P) Ltd.	Mr. Chirag Singhania
	Saintco India (P) Ltd.	Mrs. Palka A.Chopra
	Singhania Properties	Mr. Jashanjyot Singh
	Partnership Firms	Mrs. Harinder Kaur Minocha
		Mrs. Rohila Singhania
		Mrs. Isha Singhania
		Mr. Anil Kumar Bhatiya
		Mr. Ashwani Kumar

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
Professional Income	10.00 (9.00)	— (—)	— (—)	10.00 (9.00)
Remuneration	— (—)	— (—)	17.35 (13.75)	17.35 (13.75)
Rent	6.15 (3.00)	— (—)	— (—)	6.15 (3.00)
Brokerage Paid	19.18 (7.22)	— (—)	— (—)	19.18 (7.22)
Balance outstanding at the end of the year Loans & Advances	202.01 (205.40)	— (—)	— (—)	202.01 (205.40)

19. 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.


20. Details of loans covered under the provisions of Section 186 of the Act, are given in the notes 11 & 18 to the Financial Statement.

21. The company is engaged in the business of portfolio management and there are no separate reportable segments as per Accounting standard -17 on "Segment reporting".

22. 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 attached


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

  
(Manjeet Singh)  
Prop.  
Membership No. 088759



For & on behalf of the Board

  
(Harjeet Singh Arora)  
Director  
DIN-00063176

  
(G.S. Chawla)  
Managing Director  
DIN-00087449

Place: Ludhiana  
Dated: 27.05.2016