



# NBS & CO.

## Chartered Accountants

14/2, Western India House, Sir P. M. Road, Fort, Mumbai - 400 001.

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### INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KLG STOCK BROKERS PRIVATE LIMITED

#### 1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **KLG STOCK BROKERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### 2. Management's Responsibility for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

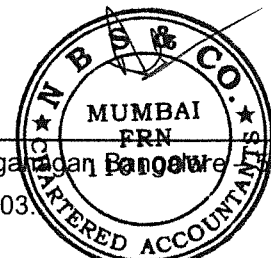
#### 3. Auditor's Responsibility

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 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place inadequate internal financial control system over financial reporting and the operating effectiveness of such controls.



**Branch Offices :** (1) No.38, 1st Floor, CBI Road, 2nd Main, Behind CBI Road, Gangabai Nagar, Bangalore - 560 032.

(2) No.6, Divya Enclave, M. G. Road, Mangalore - 575 003.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

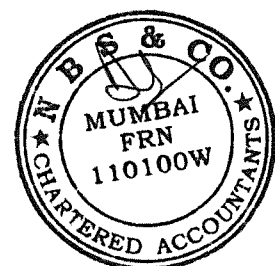
#### **4. Opinion**

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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017.
- (b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

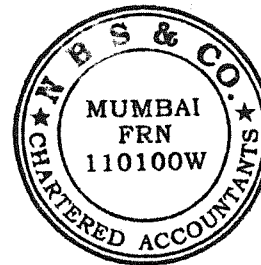
#### **5. Report on Other Legal and Regulatory Requirements**

- (i). As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A", statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. Transfer to Investor Education and Protection Fund is not applicable to the company.
  - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 20 to the financial statements.

For NBS & CO.  
Chartered Accountants  
Firm Reg.No.110100W



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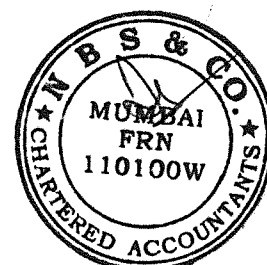
CA Devdas Bhat  
Partner  
Membership No. 048094

Place: Mumbai  
Date: 30<sup>th</sup>May, 2017.

**Annexure A to the Independent Auditors' Report**

Referred to in paragraph (i) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the members of **KLG STOCK BROKERS PRIVATE LIMITED** on the financial statements for the year ended March 31, 2017, we report that

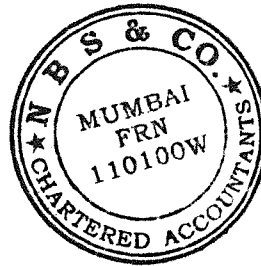
- i) In respect of its Fixed Assets:
  - a) The company does not have any fixed assets as on 31<sup>st</sup> March 2017
- ii) In respect of its inventories
  - a) There are no inventories held by the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the company has not given any loan, guarantee or provided any security or made any investments as per the provisions of Section 185 and 186 of the Act.
- v) The Company has not accepted any deposits during the year from public.
- vi) The Central Government has not prescribed maintenance of Cost records under Section 148 (1) of the Act.
- vii)
  - a) According to information and explanation given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing 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 with appropriate authorities. According to the information and explanation given to us, there are no undisputed amounts in respect of sale tax, income-tax, customs duty, service tax, excise duty and Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2017 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, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- viii) The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix) 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.
- x) According to the information and explanation given to us no fraud on or by the company has been noticed or reported during the course of our audit.
- xi) According to the information and explanation given to us and based on our examination of the records of the company has not paid/provided for managerial remuneration during the period



under audit. Hence provisions of section 197 of the Act read with Schedule V to the Act are not applicable.

- xii) 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.
- xiii) 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 wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. 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 shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xiv) 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.
- xv) The Company was not required to be registered under section 45 –IA of the Reserve Bank of India Act 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For NBS & Co.  
Chartered Accountants  
Firm Reg.No.110100W



Place: Mumbai  
Date: 30<sup>th</sup> May, 2017.

A handwritten signature in black ink, appearing to read "Devdas Bhat".

CA Devdas Bhat  
Partner  
Membership No. 048094

**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 **KLG STOCK BROKERS PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statement.

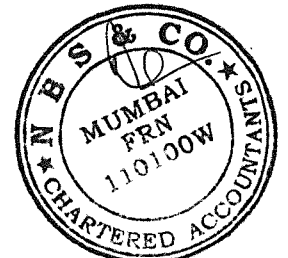
**Management's Responsibility for Internal Financial Controls**

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.

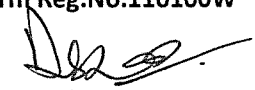
**Opinion**

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 2017, 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.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2017.



For NBS & Co.  
Chartered Accountants  
Firm Reg.No.110100W

  
CA Devdas Bhat  
Partner  
Membership No. 048094.

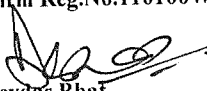
## KLG Stock Brokers Private Limited

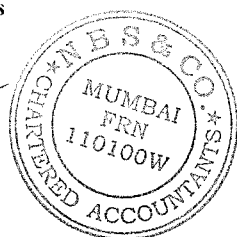
### BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	Current Year		Previous Year
		Amount(Rs.)	Amount(Rs.)	Amount(Rs.)
<b>I EQUITY &amp; LIABILITIES</b>				
<b>(1) SHAREHOLDERS' FUNDS</b>				
Share Capital	2	3,600,000		3,600,000
Reserves and Surplus	3	<u>(486,311)</u>	3,113,689	<u>(466,645)</u> 3,133,355
<b>(2) NON-CURRENT LIABILITIES</b>				
<b>(3) CURRENT LIABILITIES</b>				
Trade Payables	4	-		-
Other Current Liabilities	5	35,288		17,175
Short Term Provisions		<u>-</u>	35,288	<u>-</u> 17,175
<b>TOTAL</b>			<u><u>3,148,977</u></u>	<u><u>3,150,530</u></u>
<b>II ASSETS :</b>				
<b>(1) NON-CURRENT ASSETS</b>				
Long Term Loan and Advances	6		100,000	100,000
Other Non-Current Assets	7		-	-
<b>(2) CURRENT ASSETS</b>				
Current Investments				-
Cash and Cash Equivalents	8	18,977		20,530
Short Term Loans & Advances	9	<u>3,030,000</u>	3,048,977	<u>3,030,000</u> 3,050,530
<b>TOTAL</b>			<u><u>3,148,977</u></u>	<u><u>3,150,530</u></u>
Significant Accounting Policies	1			
Notes on Financial Statements	2 to 18			

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.  
Chartered Accountants  
Firm Reg.No.110100W


  
Devdas Bhat  
Partner  
Membership No. 48094



Place: Mumbai  
Date : 30-5-2017

For and on behalf of the Board of Directors

  
Milan Lalit Mandani  
(Director)  
DIN: 06708526

  
Nilesh Mehta  
(Director)  
DIN: 02101502



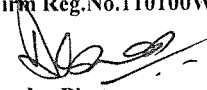
## KLG Stock Brokers Private Limited

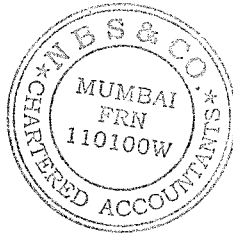
### STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
Revenue from Operations		-	-
Other Income	10	-	-
<b>Total Revenue</b>		-	-
<b>Expenditure</b>			
Depreciation and amortisation expenses		-	78,916
Other Expenses	11	19,666	20,801
<b>Total Expenses</b>		19,666	99,717
<b>(Profit/(Loss) before Exceptional and Extraordinary Items and Tax)</b>		(19,666)	(99,717)
Exceptional Items		-	-
<b>Profit/(Loss) before Extraordinary Items and Tax</b>		(19,666)	(99,717)
Extraordinary Items		-	-
<b>Profit/(Loss) before Tax</b>		(19,666)	(99,717)
Tax Expenses			
- Current Tax		-	-
- Deferred Tax		-	-
<b>Profit/(Loss) for the period from Continuing Operations</b>		(19,666)	(99,717)
<b>Profit/(Loss) for the period from Discontinuing Operations</b>		-	-
Tax Expenses of Discontinuing Operation		-	-
<b>Profit/(Loss) for the period from Discontinuing Operations (After Tax)</b>		-	-
<b>Profit/(Loss) for the period</b>		(19,666)	(99,717)
Earnings per share (Basic and Diluted)		(0.05)	(0.28)
(Refer Note No.17)			
<b>Significant Accounting Policies</b>	1		
<b>Notes on Financial Statements</b>	2 to 18		

AS PER OUR REPORT OF EVEN DATE

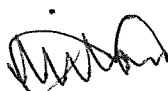
For NBS & Co.  
Chartered Accountants  
Firm Reg.No.110100W


  
Devdas Bhat  
Partner  
Membership No. 48094



Place: Mumbai  
Date : 30-5-2017

For and on behalf of the Board of Directors

  
Milan Lalit Mandani  
(Director)  
DIN: 06708526

  
Nilesh Mehta  
(Director)  
DIN: 02101502

# KLG Stock Brokers Private Limited

## Statement of Cash Flows for the year ended March 31,2017

Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
<b>A) Cash flow from operating activities</b>		
Net profit after tax & extraordinary items	(19,666)	(99,717)
Adjustment for:		
Depreciation and Amortisation Expenses	-	78,916
Dividend Income	-	-
Profit on Sale of Fixed Assets	-	-
Operating Profit before working capital changes	(19,666)	(20,801)
Adjustment for working capital Changes		
(Increase)/Decrease in Short term Loans and Advance	-	(30,000)
Increase/(Decrease) in Trade and Other Payable	18,113	321
Cash generated from Operations	(1,553)	(50,480)
Direct taxes	-	-
Cash flow before extraordinary items	(1,553)	(50,480)
Extraordinary items	-	-
Cash flow from operating activities	(A) (1,553)	(50,480)
<b>B. Cash flow from Investing activities</b>		
Purchase of Fixed Assets	-	-
Sales of Fixed Assets	-	-
Preliminary Expenditure	-	-
Purchase of Investments-Long Term	-	-
Purchase of Investments-Short Term	-	-
Purchase of Investments-Subsidiary	-	-
Dividend Income	-	-
Sale of Investment	-	-
Net cash used in Investment activities	(B) -	-
<b>C. Cash flow from Financing activities</b>		
Increase/(Decrease) in Term Loan (Net of Repayment)	-	-
Increase/(Decrease) in Unsecured Loan (Net of Repayment)	-	-
Proceeds from issue of Share Capital	-	-
Share Application Money Received	-	-
Dividend Paid (Net)	-	-
Net cash used in financing activities	(C) -	-
Net increase / decrease in cash and cash equivalents	(A+B+C) (1,553)	(50,480)
Cash & cash equivalents as at April 1, 2016 (opening balance ) cash in hand & balance with banks	20,530	71,010
Cash & cash equivalents as at March 31, 2017 (closing balance ) cash in hand & balance with banks	<b>18,977</b>	<b>20,530</b>

Note: Figures in brackets represent outflows

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.

Chartered Accountants

Firm Reg.No.110100W

Devdas Bhat

Partner

Membership No. 48094

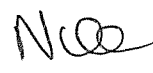
Place: Mumbai

Date : 30-5-2017



For and on behalf of the Board of Directors

  
Milan Lalit Mandani  
(Director)  
DIN: 06708526

  
Nilesi Mehta  
(Director)  
DIN: 02101502

## KLG Stock Brokers Private Limited

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)		
<b>NOTE NO. 2 - SHARE CAPITAL</b>				
<b>(a) Authorised</b>				
35,00,000 Equity Shares of Rs.10/- each (Previous Year 35,00,000)	35,00,000	35,00,000		
<b>(b) Issued,Subscribed and paid up</b>				
3,60,000 Equity Shares of Rs.10/- Each (Fully Paid up) (Previous Year 3,60,000)	3,60,000	3,60,000		
	<u>3,60,000</u>	<u>3,60,000</u>		
<b>(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Period.</b>				
	<b>Current Year No. of Shares</b>	<b>Previous Year No. of Shares</b>		
Equity Shares at the beginning of the year	360,000	360,000		
Add: Issue of Shares during the year	-	-		
No. of Shares at the end of the year	<u>360,000</u>	<u>360,000</u>		
<b>(d) Details of Shareholder Holding More than 5 %</b>				
	<b>Current Year</b>		<b>Previous Year</b>	
<b>Equity Shares Held by</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
Holding Company:				
-K L G Capital Services Limited	360,000	100%	360,000	100%
<b>NOTE NO. 3 - RESERVE AND SURPLUS</b>				
			<b>Current Year Amount (Rs.)</b>	<b>Previous Year Amount (Rs.)</b>
<b>(a) Profit &amp; Loss Account</b>				
Balance as per last Balance Sheet		(466,645)		(366,928)
Add: Profit & Loss during the Year		(19,666)		(99,717)
Less: Transfer to Statutory Reserve account		-		-
		<u>(486,311)</u>		<u>(466,645)</u>
<b>Total</b>			<u>(486,311)</u>	<u>(466,645)</u>

## KLG Stock Brokers Private Limited

### Notes forming part of the Balance Sheet as at March 31, 2017

Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
<b>NOTE NO. 4 - TRADE PAYABLES</b>		
The Company does not have in its records any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts unpaid at the year end together with interest paid/payable as required under the said Act have not been furnished.		
<b>NOTE NO. 5- OTHER CURRENT LIABILITIES</b>		
Creditors For Expenses	35,288	17,175
	<u>35,288</u>	<u>17,175</u>
<b>NOTE NO.6- LONG TERM LOANS &amp; ADVANCES</b>		
Membership Deposit	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
<b>NOTE NO. 7 - OTHER NON-CURRENT ASSETS</b>		
Preliminary Expenses and Preoperative Expenses	-	-
	<u>-</u>	<u>-</u>
<b>NOTE NO. 8 - CASH AND CASH EQUIVALENTS</b>		
(a) Cash on hand	8,208	8,826
(b) Balance with Scheduled Banks -On Current Account	10,769	11,704
	<u>18,977</u>	<u>20,530</u>
<b>NOTE NO.9- SHORT TERM LOANS &amp; ADVANCES</b>		
(a) (i) Advance recoverable in cash or in kind for value to to be received (Unsecured & Considered Good)		3,000,000
-Related Parties (Rent Deposit)	3,000,000	30,000
-Others	<u>30,000</u>	<u>3,030,000</u>
	3,030,000	3,030,000
	<u>3,030,000</u>	<u>3,030,000</u>
<b>NOTE NO. 10 - OTHER INCOME</b>		
Interest on Income Tax Refund	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>NOTE NO.11 - OTHER EXPENSES</b>		
<b>(a) ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Payment to Auditors	17,250	17,175
- Audit Fees	17,250	17,175
Filing Fees	618	2,426
Other Adiminstration Expenses	935	1,200
Professional Fees	863	-
<b>TOTAL</b>	<u>19,666</u>	<u>20,801</u>

# KLG Stock Brokers Private Limited

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

NOTE NO : 1

## SIGNIFICATION ACCOUNTING POLICES

### a. Basis of preparation of Accounts

The financial statements are prepared on accrual basis, following the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), which are consistently adopted by the Company, and in compliance with the Accounting Standard issued by the Institute of Chartered Accountants of India and provisions of the Companies Act 2013, to the extent applicable.

### b. Use of Estimates

The presentation of financial statements in conformity with GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Any differences between the actual results and the estimates are recognized in the period in which the results are known / materialized.

### c. Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

### d. Revenue Recognition

Interest incomes are accounted on accrual basis.

### e. Employee Benefits

01. Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

02. Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post employment and other long term benefits are charged to the profit and loss account.

### f. Retirement Benefits

Company has policy of making provision for retirement benefits as and when the liability arises.

### g. Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "time differences" between taxable and accounting income is accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on Balance Sheet date. The effect of deferred tax asset & liabilities of a change in tax rates is recognised in the profit & loss account in the year of change.

## KLG Stock Brokers Private Limited

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

### NOTE NO. 12- RELATED PARTY DISCLOSURE: (AS IDENTIFIED BY THE MANAGEMENT)

*List of Related Parties*

01. Major Shareholder having control over the company

KLG Capital Services Limited

03. Key Management Personal

Milan Lalit Mandani (Director)

04. Ultimate holding Company

Awaita Properties Pvt. Limited

*Disclosure of Related party Transactions between the Company and related parties for the year ended March 31, 2017*

	As At 31 March 2017 (Amount in Rs.)	As At 31 March 2016 (Amount in Rs.)
i) Holding Company	-	-
Loan taken	-	-
Loan Repaid	-	-
Closing Balance	-	-
i) Ultimate holding Company	3,000,000	3,000,000
Rent Free Deposit	-	-

### NOTE NO. 13 -DEALINGS IN SPECIFIED BANK NOTES

Particulars	SBNs	Other Denomination notes	Total
Closing Cash in hand as on 08.11.2016	-	8,208	8,208
(+) Withdrawal from bank accounts	-	-	-
(+) Permitted Receipts	-	-	-
(-) Non-permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Non-permitted Payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	8,208	8,208

### NOTE NO. 14 -DIRECTOR'S REMUNERATION

No remuneration has been paid to any of the directors.

### NOTE NO. 15 -FOREIGN CURRENCY TRANSACTIONS

There is no income or expenditure in foreign currency during the year.

## KLG Stock Brokers Private Limited

**NOTE NO. 16**

Management has policy of making provision of leave encashment on accrual basis as per 'AS 16 regarding Retirement benefits.

**NOTE NO. -17 EARNINGS PER SHARE**

Particulars	As At 31 March 2017 (Amount in Rs.)	As At 31 March 2016 (Amount in Rs.)
Net Profit/(Loss) After Tax available for Equity Shareholders	(19,666)	(99,717)
Weighted Average Number of Equity Shares of Rs.10/- each outstanding during the year	360,000	360,000
Basic/Diluted Earning Per Share Rs.	<b>(0.05)</b>	<b>(0.28)</b>

**NOTE NO. 18**

a. Figures are rounded off to nearest rupees.

b. In the opinion of the Management current assets, advances are approximately of the value stated if realized in the ordinary course of business except otherwise stated.

c. Previous year figures have been regrouped or rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE

For NBS & Co.  
Chartered Accountants  
Firm Reg.No.110100W

*(Signature)*  
Devdas Bhat

Partner

Membership No. 48094



For and on behalf of the Board of Directors

*(Signature)*  
Milan Lalit Mandani  
(Director)  
DIN: 06708526

*(Signature)*  
Nilesh Mehta  
(Director)  
DIN: 02101502

Place: Mumbai

Date : 30-5-2017