

INDEPENDENT AUDITOR'S REPORT

**To Board of Directors of
APM Finvest Limited**

Report on Compliance with Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (the "Directions"), we have examined the matters specified in Paragraph 3 of the Directions in respect of APM Finvest Limited (the "Company") for the period from May 13, 2016 to March 31, 2017.

Management's Responsibility for the Financial Statements

The Management is responsible for the design, implementation and maintenance of adequate internal procedures, systems, processes and controls to ensure compliance with the Directions on an ongoing basis. This responsibility includes reporting non-compliances, if any, to the Reserve Bank of India, Board of the Company and its Audit Committee.

Auditor's Responsibility

Our responsibility is to report on the matters specified in Paragraph 3 of the Directions based on our audit.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances.

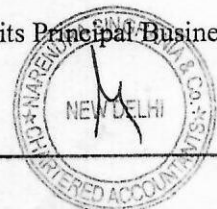
An audit involves performing procedures to obtain audit evidence about the compliance with the Directions. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's compliance with the Directions in order to design audit procedures that are appropriate in the circumstances.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compliance with Directions.

Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information & explanations provided to us, we report that:

1. The Company has obtained a Certificate of Registration from the Reserve Bank of India ("the Bank")
2. The Company is entitled to continue to hold a Certificate of Registration in terms of its Principal Business Criteria (Financial asset/income pattern) as at March 31, 2017.



3. The Company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors have passed a resolution for non- acceptance of any public deposits.
5. The Company has not accepted any public deposits during the relevant period.
6. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.
7. The Company has not been classified as a Non-Banking Financial Company – Micro Financial Institution as defined in Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania

Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: 11 May 2017

INDEPENDENT AUDITOR'S REPORT

**To The Members of
APM Finvest Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of APM Finvest Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the period from May 13, 2016 to March 31, 2017, and a summary of the 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 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 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.

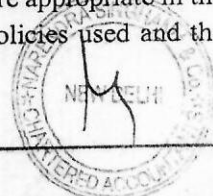
Auditor's Responsibility

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 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. An audit also includes evaluating the appropriateness of the accounting policies used and the



the circumstances. 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.

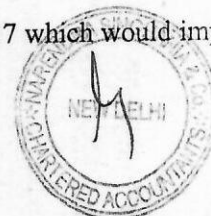
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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, 2017, and its profit and its cash flows for the period from May 13, 2016 to March 31, 2017.

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraph 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 as at March 31, 2017 which would impact its financial statements;



- ii. The Company does not have any long term contracts including derivative contracts for which there could be any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on the audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No. 009781N

Narendra Singhania

Narendra Singhania
Partner

Membership No.: 087931



Place: New Delhi
Date: 11 May 2017

Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: APM Finvest Limited

- (i) The Company does not have any fixed assets and hence no reporting is made in this regard.
- (ii) In our opinion and according to the information and explanations given to us, the nature of business activities of the Company does not give rise to any inventory and hence no reporting is made in this regard.
- (iii) As informed, 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 Companies Act, 2013.
- (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the business carried on by the Company.
- (vii) a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty and value added tax which have not been deposited on account of any dispute.
- (viii) As per the information and explanations given to us by the management, there are no dues to financial institutions, banks, Government or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The provisions of section 197 read with Schedule V to the Act related to managerial remuneration are not applicable to the Company.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- (xiii) Based on the audit procedures performed and as per the information and explanations given to us by the management, the transactions with the related parties, as disclosed in the financial statements, are in compliance with section 188 of the Companies Act, 2013 and have been disclosed as per the requirements of the applicable accounting standard. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.



- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them.
- (xvi) The Company is registered under section 45-IA of Reserve Bank of India Act, 1934.

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No.009781N

Narendra Singhania
Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: 11 May 2017

Report on the Internal Financial Controls as referred to in paragraph 2(f) under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date

Re: APM Finvest Limited

We have audited the internal financial controls over financial reporting of APM Finvest Limited as of March 31, 2017 in conjunction with our audit on the financial statements of the Company for the period from May 13, 2016 to March 31, 2017.

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. 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

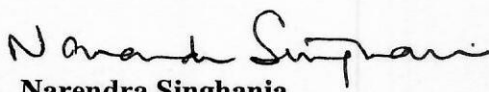
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration No.009781N


Narendra Singhania
Partner
Membership No.: 087931



Place: New Delhi
Date: 11 May 2017

APM Finvest Limited
Balance Sheet as at March 31, 2017

(Amount in Rs.)

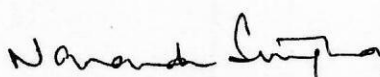
	Notes	March 31, 2017
Equity and liabilities		
Shareholders' funds		
Share capital	3	20,000,000
Reserves and surplus	4	100,527
		<u>20,100,527</u>
Current liabilities		
Other current liabilities	5	464,747
Short-term provisions	6	47,376
		<u>512,123</u>
TOTAL		<u>20,612,650</u>
Assets		
Non-current assets		
Deferred tax assets (net)	7	99,847
		<u>99,847</u>
Current assets		
Investments	8	-
Cash and bank balances	9	20,512,803
		<u>20,512,803</u>
TOTAL		<u>20,612,650</u>
Summary of significant accounting policies	2.1	

The accompanying notes are an integral part of the financial statements.


As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration Number : 009781N

For and on behalf of the board of directors of
APM Finvest Limited


Narendra Singhania
Partner
Membership No.: 087931




Director


Director

Place : New Delhi
Date : 11.05.2017

APM Finvest Limited**Statement of Profit and Loss for the period from May 13, 2016 to March 31, 2017****(Amount in Rs.)**

	Notes	March 31, 2017
Income		
Revenue from operations	10	974,238
Total revenue		<u>974,238</u>
Expenses		
Other expenses	11	828,758
Total expenses		<u>828,758</u>
Profit before tax		145,480
Tax expenses		
Current tax		144,800
Deferred tax charge/(credit)		(99,847)
Total tax expense		<u>44,953</u>
Profit for the year		<u><u>100,527</u></u>
 Earnings/(loss) per equity share of face value of Rs. 10 each Basic and Diluted (in Rs.)	 12	 0.05
Summary of significant accounting policies	2.1	

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Narendra Singhania & Co.
Chartered Accountants
Firm Registration Number : 009781N

Narendra Singhania

Narendra Singhania

Partner

Membership No.: 087931



Place : New Delhi

Date : 11.05.2017

**For and on behalf of the board of directors of
APM Finvest Limited**

[Signature]

Director

[Signature]

Director

APM Finvest Limited
Cash Flow Statement as at March 31, 2017

(Amount in Rs.)

March 31, 2017

Cash flow from operating activities	
Profit before tax	145,480
Adjustment to reconcile profit before tax to net cash flows	-
Operating profit before working capital changes	145,480
Movements in working capital :	
Increase in other current liabilities	464,747
Cash generated from /(used in) operations	610,227
Direct taxes paid (net of refunds)	97,424
Net cash flow from/ (used in) operating activities (A)	512,803
Cash flows from investing activities	
	-
Net cash flow from/ (used in) investing activities (B)	-
Cash flows from financing activities	
Proceeds from issuance of equity shares	20,000,000
Net cash flow from/ (used in) in financing activities (C)	20,000,000
Net increase/(decrease) in cash and cash equivalents (A + B + C)	20,512,803
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	20,512,803
Components of cash and cash equivalents	
Balance with banks	
- on current accounts	512,803
Investment in Mutual Fund Units (Highly liquid)	20,000,000
Total cash and cash equivalents (Note 8)	20,512,803

Summary of significant accounting policies

2.1

As per our Report of even date attached
For Narendra Singhania & Co.
Chartered Accountants
Firm Registration Number : 009781N

Narendra Singhania
Narendra Singhania
Partner



For and on behalf of the board of directors of
APM Finvest Limited

Director
Director

Director
Director

Place : New Delhi

Date : 11.05.2017

APM Finvest Limited

Notes on financial statements for the period from May 13, 2016 to March 31, 2017

1. Corporate information

APM Finvest Limited (the "Company") was incorporated in India on 13 May 2016 as a wholly owned subsidiary of APM Finvest Limited and regulated by Reserve Bank of India (RBI) as non-public deposit accepting Non-Banking Finance Company ("NBFC").

The Company is registered under section 45-IA of Reserve Bank of India Act, 1934 to carry on the business of a non-public deposit accepting Non-Banking Finance Company vide Certificate of Registration number B-10.00247

2. Basis of accounting and 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, read together with rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Prudential norms

The Company follows the Reserve Bank of India ("RBI") Directions - "Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016", dated September 1, 2016 and as amended from time to time ("RBI Directions, 2016") in respect of Income recognition, Income from investments, Accounting of investments, Assets classification, Provisioning requirements, Disclosure in the balance sheet, Accounting standards (AS) notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014 as amended and Guidance Notes issued by the Institute of Chartered Accountants of India ("ICAI") are followed insofar as they are not inconsistent with the RBI Directions.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Unquoted investments in the units of mutual funds in the nature of current investments are valued at the net assets value declared by the mutual fund in respect of each particular scheme as per the RBI Directions, 2016.

(c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable. In terms of the RBI Directions, 2016, interest income on Non Performing Assets (NPAs) shall be recognised only when it is actually realised.

(d) Foreign currency translation

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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APM Finvest Limited**Notes on financial statements for the period from May 13, 2016 to March 31, 2017****(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(e) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred tax reflect the impact of timing differences between taxable income and accounting income originating during the current year the period and reversal of timing differences for the earlier years. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

(f) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

(g) Earnings per share

The Basic earning per share and diluted earning per share have been computed in accordance with Accounting Standard (AS-20) on "Earnings Per Share" and is also shown in the Statement of Profit and Loss. Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares which are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

(h) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(i) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



APM Finvest Limited

Notes on financial statements for the period from May 13, 2016 to March 31, 2017

(Amount in Rs.)

March 31, 2017

3. Share capital**Authorised share capital**

2,000,000 equity shares of Rs. 10 each

20,000,000

20,000,000

Issued, subscribed and fully paid-up shares

2,000,000 equity shares of Rs. 10 each

20,000,000

Total

20,000,000

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**Equity shares**

March 31, 2017

Nos.

At the beginning of the period

-

Issued during the period

2,000,000

Outstanding at the end of period

2,000,000

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by holding company**Equity shares**

March 31, 2017

2,000,000 equity shares are held by APM Industries Limited

20,000,000

(*Includes six shares held by the nominee shareholder)

20,000,000

(d) Details of shareholder's holding more than 5 percent shares in the Company

March 31, 2017

Nos.

% of holding

Equity shares of Rs. 10 each

APM Industries Limited

2,000,000

100%

(*Includes six shares held by the nominee shareholder)

4. Reserves and surplus

March 31, 2017

Surplus in the statement of profit and loss

Opening balance

-

Add: Profit for the period

100,527

Less: Transfer to reserve fund

(20,105)

Net surplus

80,422

Reserve fund

Opening balance

-

Add: Surplus transferred during the year

20,105

20,105

Total reserves and surplus

100,527



5/2 8/2

APM Finvest Limited**Notes on financial statements for the period from May 13, 2016 to March 31, 2017****(Amount in Rs.)****March 31, 2017****5. Other current liabilities**

Statutory dues payable	36,500
Other payable (including Rs. 383,910 payable to holding company)	428,247
	<u>464,747</u>

6. Short-term provisions

Provision for Income-tax (net of advance tax)	47,376
	<u>47,376</u>

7. Deferred tax assets (net)

Deferred tax liability	-
Deferred tax asset	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	99,847
	<u>99,847</u>
Net deferred tax assets	<u>99,847</u>

8. Current investments**Non trade investments (valued at cost unless stated otherwise)**

Investment in mutual funds - Highly liquid investments (quoted)	
HDFC Liquid Fund - Regular Plan - Growth	20,000,000
[6,263.768 Units (Net assets value: Rs. 20,041,802)]	
Less: Considered as cash and cash equivalents (refer note 9)	<u>(20,000,000)</u>
	<u>-</u>

9. Cash and bank balances**Cash and cash equivalents**

Balances with banks:	
- On current accounts	512,803
Mutual Fund - Highly Liquid Investments (refer note 8)	20,000,000
	<u>20,512,803</u>

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APM Finvest Limited**Notes on financial statements for the period from May 13, 2016 to March 31, 2017**

	(Amount in Rs.)
	For the period from May 13, 2016 to March 31, 2017

10. Revenue from operations

Interest income on fixed deposits	974,238
	<u>974,238</u>

11. Other expenses

Professional fee	2,337
Rates & taxes (represents pre-incorporation expenses)	403,910
Auditor's remuneration (refer details below)	419,750
Bank charges	2,761
	<u>828,758</u>

Auditor's remuneration (including service-tax)

Statutory audit fee	46,000
Other services	345,000
Out of pocket expenses	28,750
	<u>419,750</u>

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APM Finvest Limited

Notes on financial statements for the period from May 13, 2016 to March 31, 2017

12. Earnings/(loss) per share

	March 31, 2017
(a) Calculation of outstanding weighted average number of equity shares	
Number of shares at the beginning of the period	-
Number of shares issued during the period	2,000,000
Number of shares at the end of the period	2,000,000
Outstanding weighted average number of shares during the period	2,000,000
(b) Net profit available for Equity shareholders (in Rs.)	100,527
(c) Basic and Diluted EPS (in Rs.)	0.05

13. Related Party disclosures**Names of related parties and related party relationship****Related parties where control exists**

Holding Company	APM Industries Limited
Key Management Personnel	Anisha Mittal Sanjay Rajgarhia Ajay Rajgarhia

Related parties under AS-18 with whom transactions have taken place during the year

Holding Company	APM Industries Limited
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a. Shares allotted

(Amount in Rs.)

Particulars	March 31, 2017
APM Industries Limited	20,000,000

b. Reimbursement of expenses

(Amount in Rs.)

Particulars	March 31, 2017
APM Industries Limited	383,910

c Related parties balances at the year end :

(Amount in Rs.)

Particulars	March 31, 2017
APM Industries Limited	383,910

14. The Company has complied with the Reserve Bank of India ("RBI") Directions - "Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" as amended from time to time.

15. Segment reporting

Based on the guiding principles given in Accounting Standard (AS) - 17 "Segment Reporting" as notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 as amended, the Company's primary business segment involves providing financial services. As the Company's business activity falls within a single primary business segment "Financial Services", the disclosure requirements of AS -17 in this regard are not applicable. The Company operates solely in one geographical segment namely "Within India" and hence no separate information for geographic segment is required.

16. Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

17. There are no employees in the Company during the period.

18. There is no contingent liability as at March 31, 2017.

19. There are no unhedged foreign currency exposure as at March 31, 2017.

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20. Schedule in terms of Paragraph 18 of "Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" as amended from time to time.

(Amount in Rs.)		
Liabilities side	Amount outstanding	Amount overdue
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	Nil	Nil
: Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits	Nil	Nil
(g) Other Loans (specify nature)	Nil	Nil
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	Nil	Nil
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits	Nil	Nil
Assets side	Amount outstanding	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	Nil	
(b) Unsecured	Nil	
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	Nil	
(b) Operating lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	Nil	
(b) Repossessed Assets	Nil	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	
(b) Loans other than (a) above	Nil	
(5) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares		
(a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
Unquoted		
(i) Shares		
(a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	

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(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
Long Term investments		
1. Quoted		
(i) Shares		
(a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds		20,000,000
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
Unquoted		
(i) Shares		
(a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
(6) Borrower group-wise classification of assets financed as in (3) and (4) above :		
Category	Amount net of provisions	
	Secured	Unsecured
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
Total	Nil	Nil
(7.) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
Total	Nil	Nil
(8) Other information		
Particulars	Amount	
(i) Gross Non-Performing Assets		
(a) Related parties	Nil	
(b) Other than related parties	Nil	
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	
(b) Other than related parties	Nil	
(iii) Assets acquired in satisfaction of debt	Nil	

(This space has been intentionally left blank)

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APM Finvest Limited

Notes on financial statements for the period from May 13, 2016 to March 31, 2017

21. This being the first year of operations of the Company, previous year's figures have not been given. The financial statements have been prepared from 13 May 2016 i.e. the date of incorporation to 31 March 2017.

As per our report of even date attached

For Narendra Singhania & Co.

Chartered Accountants

Firm Registration Number : 009781N

Narendra Singhania

Narendra Singhania

Partner

Membership No.: 087931

Place : New Delhi

Date : 11.05.2017



**For and on behalf of the board of directors of
APM Finvest Private Limited**

Nagji

Director

Bagga

Director