

**Independent Auditors' Report**

The Members,  
Paul Fincap Private Limited,  
Chandigarh

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Paul Fincap Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2018 and the statement of Profit and Loss, Changes in Equity and cash flow statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

**Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters 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 cash flow 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 there under.

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

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 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 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 financial position of the Company as at March 31, 2018, and its financial performance including other

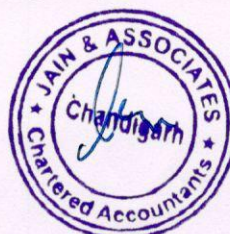




comprehensive Income , Changes in Equity & its Cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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 paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us ;
  - c. The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss dealt with by this report comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would materially impact its financial position

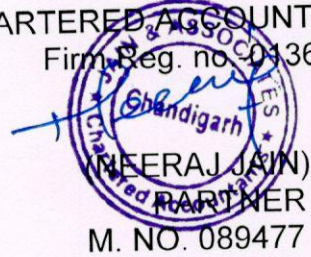




- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

PLACE: CHANDIGARH  
DATE: 10.05.2018

For JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. no. 04361N





## **“ANNEXURE A” TO THE AUDITORS’ REPORT**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

**I. In respect of its fixed assets:**

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us by the management, the company has a system of physical verification of all its fixed assets during the year. In our opinion having regard to the size of the company and the nature of its assets, the program of verification is reasonable. No discrepancies have been noticed in respect of assets physically verified.
- c) The company does not own any immoveable property.

**II. In respect of its inventories:**

Since the company is a Non Banking Finance Company, it does not carry any kind of Inventory. Hence, this clause is not applicable. Securities in the shape gold ornaments, although do not form part of inventories, are physically verified by the management on quarterly basis.

- III. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security, as applicable.
- V. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- VI. In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013.
- VII. According to the information and explanations given to us in respect of Statutory and other dues:





- a) According to the records of the Company, undisputed statutory dues including Income-tax and service tax, to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- b) As per the information and explanation given to us, no disputed amounts payable in respect of Income Tax, Service tax, value added tax and TDS were outstanding as on 31.03.2018 for a period more than six months from the date of becoming payable.

VIII. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.

IX. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

X. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

XI. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

XII. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

XIV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

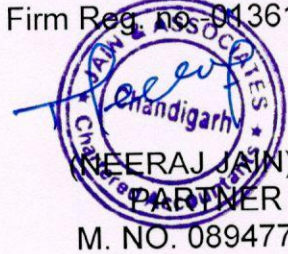
XV. In our Opinion and according to information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year. Hence provisions of section 192 of the companies Act, 2013 are not applicable





XVI. The company is carrying on the business of financing against gold ornaments, for the purpose the company has obtained permission from RBI and is registered under Section 45-IA of Reserve Bank of India Act.

For JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. no. 01361N



PLACE: CHANDIGARH  
DATE: 10.05.2018



**“Annexure B” to the Independent Auditor’s Report of even date on  
the Financial Statements of Paul Fincap Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Subsection  
3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Paul Fincap Private Limited (“the Company”) as of March 31, 2018 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. 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 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**

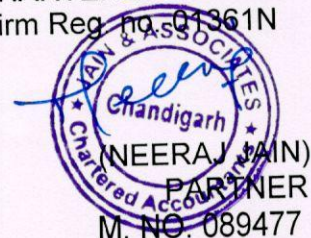
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE: CHANDIGARH  
DATE: 10.05.2018

For JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg. no. 01361N





## SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of Preparation of Financial Statements

i) For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013. In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2017, the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2018. These financial statements as and for the year ended March 31, 2018 (the "Ind AS Financial Statements") are the first financial statements, the Company has prepared in accordance with Ind AS. The company has applied IND AS to items which are material and made specific disclosure required by an Ind AS if the information is material or when required by law in accordance with said notification.

ii) The Company had prepared a separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments.

(iii) The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind AS and of the Profit/ (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS.

### B. Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

### C. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### D. Plant and Equipment

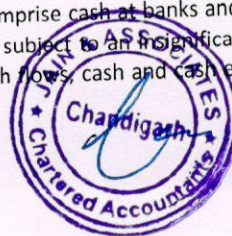
The items of Plant & equipment are measured at Cost less any accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation (if any), less accumulated depreciation and impairment loss, if any. All costs, including financing costs, attributable to the fixed assets are capitalized. The Company has opted to measure all its property, plant and equipment and intangible assets at the Previous GAAP (IGAAP) carrying amount as its deemed cost as on the date of transition.

### E. Depreciation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) in the manner prescribed in Schedule II to the Companies Act, 2013 over their remaining useful life on pro-rata basis.

### F. Cash and cash equivalents

Cash and cash equivalents Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value in accordance with IND AS 7. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.





**G Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**H Employee Benefits**

The entity makes contributions to statutory provident funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948. Provident Fund and ESI are defined contribution schemes and the contributions are charged to the profit and loss account of the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the fund.

Gratuity Liability as on 31st March 2018 has been provided for on basis of actuarial valuation basis Projected unit credit method in accordance with IND AS-19.

Leave encashment which are short term compensated absences are charged to profit and loss account of the year in which it is due.

**I Borrowing Costs**

As per IND AS 23 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (if any) are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

**J Provision for Current and Deferred Tax**

Current income tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**K Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes except for contingent provision against standard assets as prescribed by RBI guidelines. Contingent Assets are neither recognized nor disclosed in the financial statements.

**L Classification of Current / Non Current Assets**

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to The Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has assumed its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities





**PAUL FINCAP PRIVATE LIMITED**

Balance Sheet as on 31st March 18

CIN-U65921CH2010PTC032462

Amount In Rupees

| Particulars                              | Note | Current Year as on 31st<br>March 18 | Previous Year as on 31st<br>March 17 | Figures as on 01st April<br>2016 |
|--|------|-------------------------------------|--------------------------------------|----------------------------------|
| <b>ASSETS</b>                            |      |                                     |                                      |                                  |
| <b>(1) Non-Current Assets</b>            |      |                                     |                                      |                                  |
| (a) Fixed Assets                         |      |                                     |                                      |                                  |
| (i) Property, Plant and Equipment        | 1    | 49,10,930.94                        | 32,99,709.57                         | 22,22,486.05                     |
| (ii) Intangible Assets                   |      | 4,77,832.16                         | 12,97,047.13                         | 28,57,757.84                     |
| (iii) Capital Work in Progress           |      | 3,54,000.00                         | -                                    | -                                |
| (ii) Intangible Assets Under Development |      | -                                   | -                                    | -                                |
| (b) Financial Assets                     |      |                                     |                                      |                                  |
| (i) Investments                          |      | -                                   | -                                    | -                                |
| (c) Deferred Tax Asset( Net)             | 2    | 2,67,271.87                         | 1,80,356.22                          | (1,42,217.00)                    |
| (d) Other Non Current Assets             |      | -                                   | -                                    | -                                |
| <b>(2) Current Assets</b>                |      |                                     |                                      |                                  |
| (a) Inventories                          |      |                                     | -                                    | -                                |
| (b) Financial Assets                     |      |                                     |                                      |                                  |
| (i) Current Investments                  |      | -                                   | -                                    | -                                |
| (ii) Trade Receivables                   |      | -                                   | -                                    | -                                |
| (iii) Cash and Bank Balance              | 3    | 4,74,69,517.46                      | 2,24,45,784.72                       | 28,39,240.49                     |
| (iv) Bank Balance other than iii above   |      | -                                   | -                                    | -                                |
| (v) Loans                                | 4    | 57,73,78,659.00                     | 16,10,02,775.00                      | 6,36,63,275.89                   |
| (c) Current Tax Assets                   | 5    | 34,88,532.22                        | 34,76,166.04                         | 16,11,990.67                     |
| <b>TOTAL</b>                             |      | <b>63,43,46,743.65</b>              | <b>19,17,01,838.68</b>               | <b>7,30,52,533.94</b>            |
| <b>EQUITY AND LIABILITIES</b>            |      |                                     |                                      |                                  |
| <b>(1) EQUITY</b>                        |      |                                     |                                      |                                  |
| a) Equity Capital                        | 6    | 17,29,00,000.00                     | 5,16,00,000.00                       | 5,16,00,000.00                   |
| b) Other Equity                          | 7    | 39,57,96,497.99                     | 1,46,08,629.73                       | 1,09,14,574.91                   |
| <b>(2) LIABILITIES</b>                   |      |                                     |                                      |                                  |
| <b>Non-Current Liabilities</b>           |      |                                     |                                      |                                  |
| (a) Financial Liabilities                |      |                                     |                                      |                                  |
| i) Borrowings                            |      | -                                   | -                                    | -                                |
| ii) Trade Payables                       |      | -                                   | -                                    | -                                |
| iii) Other Financial Liabilities         |      | -                                   | -                                    | -                                |
| (b) Provisions                           |      | -                                   | -                                    | -                                |
| (c) Deferred Tax Liabilities( Net)       |      | -                                   | -                                    | -                                |
| (c) Other Non Current Liabilities        |      | -                                   | -                                    | -                                |
| <b>(2) Current Liabilities</b>           |      |                                     |                                      |                                  |
| (a) Financial Liabilities                |      |                                     |                                      |                                  |
| (i) Borrowings                           | 8    | 4,28,57,142.88                      | 7,45,00,000.00                       | 80,00,000.00                     |
| (ii) Trade Payables                      |      | -                                   | -                                    | -                                |
| (ii) Other Financial Liabilities         |      | -                                   | -                                    | -                                |
| (b) Other Current Liabilities            | 9    | 1,68,36,203.75                      | 4,71,25,136.73                       | 18,98,424.34                     |
| (c) Provisions                           | 10   | 59,56,899.04                        | 38,68,072.22                         | 6,39,534.69                      |
| (d) Current Tax Liabilities (Net)        |      | -                                   | -                                    | -                                |
| <b>TOTAL</b>                             |      | <b>63,43,46,743.65</b>              | <b>19,17,01,838.68</b>               | <b>7,30,52,533.94</b>            |

Accounting Policies and Notes referred to above form an integral part of the standalone financial statements

For and on behalf of the Board of Directors

RAJNEESH BANSAL  
(Director)  
DIN - 00077230  
#749, Sector 8,  
Chandigarh

SHAIBU GEEVARGHESE CHERIAN  
(Whole Time Director)

DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

BHUPINDER KAUR  
CFO

Membership no 508485  
# 5 , Aashita Enclave 2 , Sec 127  
Mohali

Place: Chandigarh  
Date : 10/05/2018

Auditor's Report

As per our separate reports of even date attached

For Jain & Associates  
Chartered Accountants  
ERN 01361N

Neeraj Jain  
Partner  
M. No. 085495  
S.C.O.819-20, SECTOR -22 A,  
CHANDIGARH



**PAUL FINCAP PRIVATE LIMITED**  
**Profit and Loss Statement for the year ended on 31st March 2018**  
CIN-U65921CH2010PTC032462

| Particulars   | Note No. | Figures for the current reporting period<br>31.03.2018 | Figures for the previous reporting period<br>31.03.2017 |
|---|----------|--|---|
| <b>REVENUE</b>  |          |  |   |
| I Revenue from Operations   | 11       | 4,96,18,361.85   | 3,05,73,339.87  |
| II Other Income   | 12       | 25,78,790.75   | 7,10,000.00   |
| III. Total Income (I+II)  |          | <b>5,21,97,152.60</b>                                  | <b>3,12,83,339.87</b>                                   |
| IV. Expenses:   |          |  |   |
| Employee Benefits Expenses  | 13       | 1,65,18,446.00   | 1,02,38,036.00  |
| Finance Costs   | 14       | 57,93,282.04   | 14,80,258.13  |
| Office and Administrative Expenses  | 15       | 1,94,82,963.58   | 1,12,17,736.95  |
| Depreciation and Amortization Expenses  | 16       | 17,70,715.38   | 28,14,496.19  |
| <b>Total Expenses</b>   |          | <b>4,35,65,407.00</b>                                  | <b>2,57,50,527.27</b>                                   |
| V. Profit before exceptional & extraordinary items & tax (III-IV)               |          | <b>86,31,745.60</b>                                    | <b>55,32,812.60</b>                                     |
| VI. Exceptional Items   |          | -  | -   |
| VII. Profit before extraordinary items & tax (V-VI)                             |          | <b>86,31,745.60</b>                                    | <b>55,32,812.60</b>                                     |
| VIII. Extraordinary Items   |          | -  | -   |
| IX. Profit before Tax( VII-VIII)  |          | <b>86,31,745.60</b>                                    | <b>55,32,812.60</b>                                     |
| X. Tax Expense:   |          |  |   |
| (1) Current tax   |          | 25,90,393.00   | 21,61,331.00  |
| (2) Deferred tax  |          | (86,915.66)  | (3,22,573.22)   |
| XI. Profit/(Loss) for the period from continuing operations (IX-X)              |          | <b>61,28,268.25</b>                                    | <b>36,94,054.82</b>                                     |
| XII. Profit/(Loss) for the period from discontinuing operations                 |          | -  | -   |
| XIII. Tax Expense of Discontinuing operations                                   |          | -  | -   |
| Profit/(Loss) for the period from discontinuing operations after tax (XII-XIII) |          | -  | -   |
| XV. Profit (Loss) for the period (XI + XIV)                                     |          | <b>61,28,268.25</b>                                    | <b>36,94,054.82</b>                                     |
| X. Earnings per equity share:   |          |  |   |
| (1) Basic and Diluted Rs.   |          | 0.35   | 0.72  |

Accounting Policies and Notes referred to above form an integral part of the standalone financial statements

For and on behalf of the Board of Directors

RAJNEESH BANSAL  
(Director)  
DIN - 00077230  
#749, Sector 8,  
Chandigarh

SHAIBU GEEVARGHESE CHERIAN  
(Whole Time Director)  
DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

Bhupinder Kaur  
Company Secretary  
Membership No. ACS28004  
#749, Phase 3B1,  
Mohali

BHUPINDER KAUR  
CFO  
Membership no 508485  
# 5 , Aashita Enclave 2 , Sec 127  
Mohali

Place: Chandigarh  
Date : 10/05/2018

Auditor's Report

As per our separate reports of even date attached

For Jain & Associates  
Chartered Accountants  
FRN - 00619

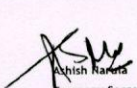
CA Neeraj Jain  
Partner  
M.No.089477  
S.C.O. 19, A-65, Sector 27A,  
CHANDIGARH



**PAUL FINCAP PRIVATE LIMITED**  
**CASH FLOW STATEMENT AS ON 31ST MAR , 2018**

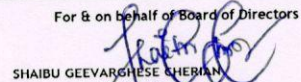
Amount In Rs.

| PARTICULARS   | CURRENT YEAR 31.03.2018 | PREVIOUS YEAR 31.03.2017 | PREVIOUS YEAR 31.03.2016 |
|---|-------------------------|--------------------------|--------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>             |                         |                          |                          |
| Profit before Tax and Extraordinary items                 | 95,57,494.60            | 62,24,765.51             | 9,56,727                 |
| Adjustment for:   |                         |                          |                          |
| Depreciation  | 17,70,715.38            | 28,14,496.19             | 6,74,618                 |
| Profit before working Capital Changes                     | 1,13,28,209.98          | 90,39,262                | 16,31,345                |
| Adjustment for :  |                         |                          |                          |
| Net changes in operating Assets & Liabilities             | -41,29,26,477.00        | (9,61,41,773.00)         | (62,88,398)              |
| Short Term Loans & Advances                               | -34,61,773.19           | (30,61,901.48)           | (3,59,419)               |
| Other Current Assets                                      | -                       | 0                        | -                        |
| Other Non Current Assets                                  | -3,09,75,733.89         | 44471649.22              | 7,34,841                 |
| Trade Payables  | 6,86,800.91             | 755063.17                | 9,08,242                 |
| Other Current Liabilities                                 | 11,63,078.00            | 25,36,584.63             | (71,818)                 |
| Short Term Provisions                                     | (44,55,14,105)          | (5,14,40,377)            | (50,76,552)              |
| Cash generated from operations                            | -25,90,393.00           | (21,61,331.00)           | (1,82,304)               |
| Income Taxes Paid   |                         |                          |                          |
| Cash generated from operation before extraordinary items  | (43,67,76,288)          | (4,45,62,447)            | (36,27,511)              |
| Dividend Received   |                         |                          |                          |
| Net Cash flow from operating activities                   | (43,67,76,288)          | (4,45,62,447)            | (36,27,511)              |
| <b>B. CASH FLOW FROM LENDING AND INVESTING ACTIVITIES</b> |                         |                          |                          |
| Purchase of Fixed Assets                                  | -29,16,721.78           | (23,31,009)              | (44,39,070)              |
| Increase/Decrease in Non Current Investments              |                         |                          |                          |
| Net cash used in lending and investing activities         | (29,16,722)             | (23,31,009)              | (44,39,070)              |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>             |                         |                          |                          |
| Increase in Capital                                       | 49,63,59,600.00         | -                        | -                        |
| Borrowings (Net of Repayments)                            |                         |                          |                          |
| Long Term Borrowings                                      | -3,16,42,857.12         | 6,65,00,000              | 80,00,000                |
| Short Term Borrowings                                     | 46,47,16,743            | 6,65,00,000              | 80,00,000                |
| Net cash flow after financing activities                  | 2,50,23,733             | 1,96,06,544              | (66,581)                 |
| Cash and Cash equivalent at the beginning of the year     | 2,24,45,785             | 28,39,241                | 29,05,821                |
| Cash and Cash equivalents at the end of the year          | 4,74,69,518             | 2,24,45,785              | 28,39,241                |

  
**Ashish Narula**  
 Company Secretary  
 Membership No. ACS28004  
 #298, Phase 3B1,  
 Mohali

  
**BHUPINDER KAUR**  
 CFO  
 Membership no 508485  
 # 5 , Aashla Enclave 2 , Sec 127  
 Mohali

  
**RAJNEESH BANSAL**  
 (Director)  
 DIN - 00077230  
 #749, Sector 8,  
 Chandigarh

For & on behalf of Board of Directors  
  
**SHAIBU GEEVARGHESE CHERIAN**  
 (Whole Time Director)  
 DIN 07319125  
 Puthenparambail Karipuram,  
 Mukkoodu P.O., Kerala

**AUDITOR'S CERTIFICATE**

We have examined the Cash flow Statement of Paul Fincap Private Limited for the year ended 31st March 2018. The Statement is in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

Place: Chandigarh  
 Dated: 10.05.2018

For Jain & Associates  
 CHARTERED ACCOUNTANTS  
 (FRN - 013611)

  
**CA. NEERAJ JAIN**  
 Partner  
 (M. No. 089477)  
 S.C.O.819-20, SECTOR 22 A, CHANDIGARH



**PAUL FINCAP PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
CIN-U65921CH2010PTC032462

**A Equity Share Capital**

Changes in equity share capital for the year ended 31st March, 2018

| Particulars                                      | Amount (Rs)     |
|--|-----------------|
| Balance at the beginning of the reporting period | 5,16,00,000     |
| Changes in equity share capital during the year  | 12,13,00,000.00 |
| Balance at the end of the reporting period       | 17,29,00,000    |

Changes in equity share capital for the year ended 31st March, 2017

| Particulars                                      | Amount (Rs) |
|--|-------------|
| Balance at the beginning of the reporting period | 5,16,00,000 |
| Changes in equity share capital during the year  | -           |
| Balance at the end of the reporting period       | 5,16,00,000 |

**B Other Equity**

Changes in other equity for the year ended 31st March, 2018

| Particulars                                 | Reserves and Surplus     |                   |                   | Total        |
|---|--------------------------|-------------------|-------------------|--------------|
|   | Security premium Account | Retained Earnings | Statutory reserve |              |
| Balance as on 01.04.2017                    | 57,00,000                | 74,05,436         | 15,03,193         | 1,46,08,630  |
| Net Profit / Loss for the year              |                          | 49,02,615         | 12,25,654         | 61,28,268    |
| Security premium during the year            | 37,50,59,600             |                   |                   | 37,50,59,600 |
| Remeasurements of net defined benefit plans |                          |                   |                   | -            |
| Balance as on 31.03.2018                    | 38,07,59,600             | 1,23,08,051       | 27,28,847         | 39,57,96,498 |

Changes in other equity for the year ended 31st March, 2017

| Particulars                                     | Reserves and Surplus     |                   |                   | Total       |
|---|--------------------------|-------------------|-------------------|-------------|
|   | Security premium Account | Retained Earnings | Statutory reserve |             |
| Balance as on 01.04.2016                        | 57,00,000                | 44,50,193         | 7,64,382          | 1,09,14,575 |
| Net Profit / Loss for the year                  |                          | 29,55,244         | 7,38,811          | 36,94,055   |
| Other Comprehensive income for the year         |                          |                   |                   |             |
| (a) Remeasurements of net defined benefit plans |                          |                   |                   | -           |
| Balance as on 31.03.2017                        | 57,00,000                | 74,05,436         | 15,03,193         | 1,46,08,630 |

For and on behalf of the Board of Directors

RAJNEESH BANSAL  
(Director)

DIN - 00077230  
#749, Sector 8,  
Chandigarh

Aash Narula  
Company Secretary  
Membership No. ACS28004  
#298, Phase 3B1,  
Mohali

SHAIBU GEEVARGHESE CHERIAN  
(Whole Time Director)

DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

BHUPINDER KAUR  
CFO  
Membership no 508485  
# 5, Aashta Enclave 2, Sec 127  
Mohali

Auditor's Report

As per our separate reports of even date.

For Jain & Associates  
Chartered Accountants  
FRN - 01361N

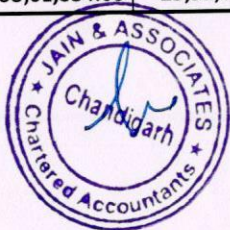
CA. Meera Jain  
Partner  
M. No. 089407  
S.C.O.819-20, SECTOR -22 A,  
CHANDIGARH

Place: Chandigarh  
Date : 10/05/2018



Note 01: FIXED ASSETS

| PARTICULARS                  | Rate   | Gross Block<br>(Amount in Rupees) |                     |             |                                  | Accumulated Depreciation<br>(Amount in Rupees) |                                     |              |                                     | Net Block<br>(Amount in Rupees) |                                  |
|------------------------------|--------|-----------------------------------|---------------------|-------------|----------------------------------|--|-------------------------------------|--------------|-------------------------------------|---------------------------------|----------------------------------|
|                              |        | Balance as at<br>1 April 2017     | Additions           | Disposals   | Balance as at<br>31st March 2018 | Balance as at<br>1 April 2017                  | Depreciation charge<br>for the year | On disposals | Balance as at<br>31st March<br>2018 | Balance as at<br>1 April 2017   | Balance as at 31st<br>March 2018 |
| <b>Plant &amp; Equipment</b> |        |                                   |                     |             |                                  |  |                                     |              |                                     |                                 |                                  |
| 61 Defender Z+BB             | 18.10% | 25,98,291.00                      | 8,93,500.00         | 0.00        | 34,91,791.00                     | 6,61,500.08                                    | 4,01,236.43                         | 0.00         | 10,62,736.51                        | 19,36,790.92                    | 24,29,054.49                     |
| CCTV Cameras                 | 18.10% | 91,481.00                         | 0.00                | 0.00        | 91,481.00                        | 21,241.24                                      | 12,713.40                           | 0.00         | 33,954.64                           | 70,239.76                       | 57,526.36                        |
| Digital Video Recorder       | 18.10% | 6,500.00                          | 0.00                | 0.00        | 6,500.00                         | 3,537.09                                       | 536.29                              | 0.00         | 4,073.38                            | 2,962.91                        | 2,426.62                         |
| Computer & Accessories       | 63.16% | 5,66,330.00                       | 3,46,386.98         | 0.00        | 9,12,716.98                      | 2,63,310.87                                    | 2,55,095.40                         | 0.00         | 5,18,406.28                         | 3,03,019.13                     | 3,94,310.70                      |
| Weighing Scale               | 18.10% | 1,74,014.00                       | 99,821.00           | 0.00        | 2,73,835.00                      | 48,429.83                                      | 28,754.73                           | 0.00         | 77,184.55                           | 1,25,584.17                     | 1,96,650.45                      |
| Almirah                      | 25.89% | 25,985.00                         | 0.00                | 0.00        | 25,985.00                        | 12,514.80                                      | 3,487.43                            | 0.00         | 16,002.24                           | 13,470.20                       | 9,982.76                         |
| Furniture & Fixture          | 25.89% | 11,66,442.00                      | 8,90,493.80         | 0.00        | 20,56,935.80                     | 3,60,947.99                                    | 2,31,715.73                         | 0.00         | 5,92,663.72                         | 8,05,494.01                     | 14,64,272.08                     |
| Invertor                     | 25.89% | 0.00                              | 2,01,520.00         | 0.00        | 2,01,520.00                      | 0.00   | 10,137.25                           | 0.00         | 10,137.25                           | 0.00                            | 1,91,382.75                      |
| Air Conditioner              | 18.10% | 55,300.00                         | 1,31,000.00         | 0.00        | 1,86,300.00                      | 13,151.52                                      | 7,823.76                            | 0.00         | 20,975.28                           | 42,148.48                       | 1,65,324.72                      |
| <b>Intangible Assets</b>     |        |                                   |                     |             |                                  |  |                                     |              |                                     |                                 |                                  |
| Software                     | 63.16% | 37,08,500.00                      | 0.00                | 0.00        | 37,08,500.00                     | 24,11,452.87                                   | 8,19,214.97                         | 0.00         | 32,30,667.84                        | 12,97,047.13                    | 4,77,832.16                      |
| Capital in Progress          |        | 0.00                              | 3,54,000.00         | 0.00        | 3,54,000.00                      | 0.00   | -                                   | 0.00         | 0.00                                | 0.00                            | 3,54,000.00                      |
| <b>Total Current Year</b>    |        | <b>83,92,843.00</b>               | <b>29,16,721.78</b> | <b>0.00</b> | <b>1,13,09,564.78</b>            | <b>37,96,086.30</b>                            | <b>17,70,715.38</b>                 | <b>0.00</b>  | <b>55,66,801.68</b>                 | <b>45,96,756.70</b>             | <b>57,42,763.10</b>              |
| <b>Total Last Year</b>       |        | <b>60,61,834.00</b>               | <b>23,31,009.00</b> | <b>0.00</b> | <b>83,92,843.00</b>              | <b>9,81,590.11</b>                             | <b>28,14,496.19</b>                 | <b>0.00</b>  | <b>37,96,086.30</b>                 | <b>50,80,243.89</b>             | <b>45,96,756.70</b>              |



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## NOTES ON FINANCIAL STATEMENTS

### Note 2: DEFERRED TAX LIABILITIES/TAX ASSET

| Particulars              | As on 31st March 2018 | As at 31st Mar 2017  | As on 1st April 2016 |
|--------------------------|-----------------------|----------------------|----------------------|
|                          | Amount (Rs.)          | Amount (Rs.)         | Amount (Rs.)         |
| Opening Balances         | -1,80,356.22          | 1,42,217.00          | -24,703.00           |
| Add : Deferred Tax Asset | -86,915.66            | (3,22,573.22)        | 1,66,920.00          |
| <b>Total</b>             | <b>(2,67,271.87)</b>  | <b>(1,80,356.22)</b> | <b>1,42,217.00</b>   |

### Note 3: CASH & BANK BALANCE

| Particulars  | As on 31st March 2018 | As at 31st Mar 2017   | As on 1st April 2016 |
|--|-----------------------|-----------------------|----------------------|
|  | Amount (Rs.)          | Amount (Rs.)          | Amount (Rs.)         |
| <b>A. Cash and cash equivalents</b>                                |                       |                       |                      |
| Balance with banks in Current Accounts                             | 4,06,99,873.28        | 1,99,94,277.72        | 19,86,745.49         |
| Cash in Hand   | 59,89,204.06          | 24,51,507.00          | 8,52,495.00          |
| <b>B. Other Balances with Banks</b>                                |                       |                       |                      |
| i) In Term Deposit Accounts with > 3 month and <12 months maturity | 7,80,440.12           |                       |                      |
| <b>Total</b>   | <b>4,74,69,517.46</b> | <b>2,24,45,784.72</b> | <b>28,39,240.49</b>  |

### Note 4 : LOANS

| Particulars          | As on 31st March 2018  | As at 31st Mar 2017    | As on 1st April 2016  |
|----------------------|------------------------|------------------------|-----------------------|
|                      | Amount (Rs.)           | Amount (Rs.)           | Amount (Rs.)          |
| Loans & Advances     | 57,02,85,105.00        | 15,73,58,628.00        | 6,12,16,855.00        |
| Prepaid Expenses     | 9,02,283.00            | 12,26,750.00           | 4,00,000.00           |
| Interest Receivable  | 39,76,835.00           | 19,01,109.00           | 12,82,070.00          |
| Security and Advance | 22,14,436.00           | 5,16,288.00            | 7,64,350.89           |
| <b>Total</b>         | <b>57,73,78,659.00</b> | <b>16,10,02,775.00</b> | <b>6,36,63,275.89</b> |

### Note 5 : CURRENT TAX ASSETS

| Particulars       | As on 31st March 2018 | As at 31st Mar 2017 | As on 1st April 2016 |
|-------------------|-----------------------|---------------------|----------------------|
|                   | Amount (Rs.)          | Amount (Rs.)        | Amount (Rs.)         |
| Advance Tax & TDS | 30,90,108.55          | 26,77,428.50        | 12,97,323.00         |
| Input Credit      | 3,98,423.67           | 7,98,737.54         | 3,14,667.67          |
| <b>Total</b>      | <b>34,88,532.22</b>   | <b>34,76,166.04</b> | <b>16,11,990.67</b>  |

Raj





Note 6 : EQUITY CAPITAL

A. Authorised, Issued, Subscribed & Paid up Share Capital and Par Value per Share

| Particulars                           | As on 31st March 2018 | As on 31st March 2018  | As at 31st Mar 2017 | As at 31st Mar 2017   | As on 1st April 2016  |
|---------------------------------------|-----------------------|------------------------|---------------------|-----------------------|-----------------------|
|                                       | Number                | Amount (Rs.)           | Number              | Amount (Rs.)          | Amount (Rs.)          |
| <b>Authorised</b>                     |                       |                        |                     |                       |                       |
| Equity Shares of Rs. 10 each          | 3,00,00,000.00        | 30,00,00,000.00        | 60,00,000           | 6,00,00,000           | 6,00,00,000           |
| <b>Issued</b>                         |                       |                        |                     |                       |                       |
| Equity Shares of Rs. 10 each          | 1,72,90,000.00        | 17,29,00,000.00        | 51,60,000           | 5,16,00,000           | 5,16,00,000           |
| <b>Subscribed &amp; fully Paid up</b> |                       |                        |                     |                       |                       |
| Equity Shares of Rs. 10 each          | 1,72,90,000.00        | 17,29,00,000.00        | 51,60,000           | 5,16,00,000           | 5,16,00,000           |
| <b>Total</b>                          | <b>1,72,90,000.00</b> | <b>17,29,00,000.00</b> | <b>51,60,000.00</b> | <b>5,16,00,000.00</b> | <b>5,16,00,000.00</b> |

B. Reconciliation of Number of Shares Outstanding at the beginning and end of the year

| Particulars                                      | Equity Shares         | Equity Shares       | Equity Shares        |
|--|-----------------------|---------------------|----------------------|
|  | As at 31st Mar 2018   | As at 31st Mar 2017 | As on 1st April 2016 |
|  | Number                | Number              | Amount (Rs.)         |
| Shares outstanding at the beginning of the year  | 51,60,000.00          | 51,60,000.00        | 51,60,000.00         |
| Shares Issued during the year                    | 1,21,30,000.00        | -                   | -                    |
| Shares bought back during the year               | -                     | -                   | -                    |
| <b>Shares outstanding at the end of the year</b> | <b>1,72,90,000.00</b> | <b>51,60,000.00</b> | <b>51,60,000.00</b>  |

C. Shares in the company held by each shareholder holding more than 5% shares

| Name of Shareholder (Mr./Mrs.) | Equity Shares         |                     |              |                     |              |
|--------------------------------|-----------------------|---------------------|--------------|---------------------|--------------|
|                                | As on 31st March 2018 | As at 31st Mar 2017 |              | AS ON 01 April 2016 |              |
|                                | No. of Shares held    | No. of Shares held  | % of Holding | No. of Shares held  | % of Holding |
| Mr. Rajneesh Bansal            | 21,27,546.00          | 25,68,056.00        | 49.77        | 25,68,056.00        | 49.77        |
| Mr. Sat Paul Bansal            | 8,43,518.00           | 12,84,028.00        | 24.88        | 12,84,028.00        | 24.88        |
| Mrs. Sarita Rani Bansal        | 8,43,518.00           | 12,84,028.00        | 24.88        | 12,84,028.00        | 24.88        |
| Paul Merchants Ltd             | 1,34,75,418.00        |                     |              |                     |              |



*Ref*



**Note 7: OTHER EQUITY**

| Particulars                                      | As on 31st March 2018  | As at 31st Mar 2017   | As on 1st April 2016  |
|--|------------------------|-----------------------|-----------------------|
|  | Amount (Rs.)           | Amount (Rs.)          | Amount (Rs.)          |
| <b>A. Statutory Reserve</b>                      |                        |                       |                       |
| Opening Balance                                  | 15,03,193.33           | 7,64,382.37           | 6,46,667.04           |
| (+) Current Year Transfer                        | 12,25,653.65           | 7,38,810.96           | 1,17,715.33           |
| <b>Closing Balance</b>                           | <b>27,28,846.99</b>    | <b>15,03,193.33</b>   | <b>7,64,382.37</b>    |
| <b>B. General Reserve</b>                        |                        |                       |                       |
| Opening Balance                                  | 74,05,436.40           | 44,50,192.54          | 39,79,331.20          |
| (+) Current Year Transfer                        | 49,02,614.60           | 29,55,243.86          | 4,70,861.34           |
| <b>Closing Balance</b>                           | <b>1,23,08,051.00</b>  | <b>74,05,436.40</b>   | <b>44,50,192.54</b>   |
| <b>C. Securities Premium Account</b>             |                        |                       |                       |
| Opening Balance                                  | 57,00,000.00           | 57,00,000.00          | 57,00,000.00          |
| Add : Securities premium credited on Share issue | 37,50,59,600.00        | 0.00                  | 0.00                  |
| Less : Premium Utilised                          | 38,07,59,600.00        | 57,00,000.00          | 57,00,000.00          |
| <b>Closing Balance</b>                           |                        |                       |                       |
| <b>D. Surplus</b>                                |                        |                       |                       |
| Opening balance                                  |                        | 0.00                  | 0.00                  |
| (+) Net Profit For the current year              | 61,28,268.25           | 36,94,054.82          | 5,88,576.67           |
| (-) Prior Period Provision                       | -                      | -                     | -                     |
| (-) Transfer to General Reserve                  | 49,02,614.60           | 29,55,243.86          | 4,70,861.34           |
| (-) Transfer to Statutory Reserve as per RBI req | 12,25,653.65           | 7,38,810.96           | 1,17,715.33           |
| <b>Closing Balance</b>                           |                        | 0.00                  | 0.00                  |
| <b>Total</b>                                     | <b>39,57,96,497.99</b> | <b>1,46,08,629.73</b> | <b>1,09,14,574.91</b> |

**Note 8 : BORROWINGS**

| Particulars                                 | As on 31st March 2018 | As at 31st Mar 2017   | As on 1st April 2016 |
|---|-----------------------|-----------------------|----------------------|
|   | Amount (Rs.)          | Amount (Rs.)          | Amount (Rs.)         |
| <b>SECURED</b>                              |                       |                       |                      |
| A. Loans payable on demand From Banks       | 4,28,57,142.88        | 5,00,00,000.00        |                      |
| <b>B. UNSECURED</b>                         |                       |                       |                      |
| (a) Loans and advances from related parties | -                     | 2,45,00,000.00        | 80,00,000.00         |
| (b) Loans and advances from others          | -                     | 7,45,00,000.00        | 80,00,000.00         |
| <b>Total</b>                                | <b>4,28,57,142.88</b> | <b>7,45,00,000.00</b> | <b>80,00,000.00</b>  |

**Note 9 : OTHER CURRENT LIABILITIES**

| Particulars               | As on 31st March 2018 | As at 31st Mar 2017   | As on 1st April 2016 |
|---------------------------|-----------------------|-----------------------|----------------------|
|                           | Amount (Rs.)          | Amount (Rs.)          | Amount (Rs.)         |
| Expenses Payable          | 3,53,833.91           | 6,07,102.40           | 581662.49            |
| Salary Payable            | 18,58,179.00          | 9,10,947.00           | 571471               |
| Interest Due on HDFC Loan | 3,48,424.66           | 3,77,397.26           | 0                    |
| Staff Welfare Fund        | 45,010.00             | 23,200.00             | 10450                |
| Sundry Creditors          | 1,42,30,756.18        | 4,52,06,490.07        | 734840.85            |
| <b>Total</b>              | <b>1,68,36,203.75</b> | <b>4,71,25,136.73</b> | <b>18,98,424.34</b>  |

**Note 10: PROVISIONS**

| Particulars                                  | As on 31st March 2018 | As at 31st Mar 2017 | As on 1st April 2016 |
|--|-----------------------|---------------------|----------------------|
|  | Amount (Rs.)          | Amount (Rs.)        | Amount (Rs.)         |
| Provision for other Expenses                 | 2,36,389.00           | 21,61,331.00        | 1,82,304.37          |
| Provision for Taxes                          | 25,90,393.00          | 4,55,765.00         |                      |
| Provision for NPA                            | 7,96,088.00           | 3,92,435.22         | 1,56,247.31          |
| Contingent Provision Against Standard Assets | 9,77,861.04           | 1,41,161.00         | 74,210.00            |
| Leave Encashment                             | 2,47,850.00           | 4,23,985.00         |                      |
| Gratuity Payable                             | 6,33,926.00           | 2,93,395.00         | 2,26,773.00          |
| Bonus to employees                           | 4,74,392.00           |                     |                      |
| <b>Total</b>                                 | <b>59,56,899.04</b>   | <b>38,68,072.22</b> | <b>6,39,534.68</b>   |





**Note 11 : REVENUE FROM OPERATIONS**

| Particulars                          | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|--------------------------------------|--|--|
| Interest Income                      | 4,18,20,759.11                                 | 2,19,41,605.26                                   |
| Income from Money Transfer Service   | 77,97,602.74                                   | 86,31,734.61                                     |
| <b>Total Revenue From Operations</b> | <b>4,96,18,361.85</b>                          | <b>3,05,73,339.87</b>                            |

**Note 12: OTHER INCOME**

| Particulars          | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|----------------------|--|--|
| Rental Income        | 8,25,600.00                                    | 7,10,000.00                                      |
| Miscellaneous Income | 17,53,190.75                                   |  |
| <b>Total</b>         | <b>25,78,790.75</b>                            | <b>7,10,000.00</b>                               |

**Note 13: EMPLOYEE BENEFIT EXPENSES**

| Particulars               | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|---------------------------|--|--|
| Salaries & Allowances     | 1,43,86,515.00                                 | 89,27,315.00                                     |
| Leave Encashment          | 2,67,135.00                                    | 1,44,216.00                                      |
| Staff Welfare Expenses    | 3,66,174.00                                    | 1,81,781.00                                      |
| Contribution to ESI & EPF | 8,17,886.00                                    | 2,67,344.00                                      |
| Gratuity                  | 2,09,941.00                                    | 4,23,985.00                                      |
| Bonus                     | 4,70,795.00                                    | 2,93,395.00                                      |
| <b>Total</b>              | <b>1,65,18,446.00</b>                          | <b>1,02,38,036.00</b>                            |

**Note 14: FINANCE COSTS**

| Particulars             | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|-------------------------|--|--|
| Interest On Term Loan   | 44,45,889.07                                   | 3,77,397.26                                      |
| Other Finance Expenses: |  |  |
| Bank Charges            | 13,47,392.97                                   | 11,02,860.87                                     |
| <b>Total</b>            | <b>57,93,282.04</b>                            | <b>14,80,258.13</b>                              |

**Note 15 : OTHER EXPENSES**

| Particulars                                 | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|---|--|--|
| Computer Expenses                           | 13,35,574.12                                   | 16,29,291.63                                     |
| Travelling & Conveyance Expenses            | 13,21,609.55                                   | 5,69,716.50                                      |
| Insurance                                   | 5,34,000.00                                    | 4,80,000.00                                      |
| Legal, Professional & Consultancy Charges   | 27,82,960.00                                   | 15,73,950.80                                     |
| Payments to auditors (Refer Note (i) below) | 35,000.00                                      | 40,250.00  |
| Stationery & Telephone expenses             | 5,00,109.89                                    | 7,57,304.03                                      |
| Rates and taxes                             | 21,90,309.48                                   | 2,12,347.35                                      |
| Rent  | 39,05,849.64                                   | 22,80,412.00                                     |
| Security Expenses                           | 40,25,454.05                                   | 21,16,473.00                                     |
| Advertisement & Publicity                   | 5,89,909.04                                    | 3,05,988.81                                      |
| Contingent Provision on Standard Assets     | 5,85,426.00                                    | 2,36,187.91                                      |
| Provision on NPA                            | 3,40,323.00                                    | 4,55,765.00                                      |
| Misc Office Expenses                        | 13,36,438.81                                   | 5,60,049.92                                      |
| <b>Total</b>                                | <b>1,94,82,963.58</b>                          | <b>1,12,17,736.95</b>                            |

**NOTE (i)**

| Payments to the auditor as | For the Period Ending 31.03.18<br>Amount (Rs.) | For the Year ended 31st Mar 2017<br>Amount (Rs.) |
|----------------------------|--|--|
| Statutory Audit Fees       | 20,000.00                                      | 23,000.00  |
| Tax Audit Fees             | 15,000.00                                      | 17,250.00  |
| <b>Total</b>               | <b>35,000.00</b>                               | <b>40,250.00</b>                                 |





**Note 16: Related Party Disclosures**  
(As per Accounting Standard 18 issued by ICAI)

| A. List of Related Parties having control or significant influence |  |
|--|--|
| Name of Related Party  | Relationship   |
| Sh. Sat Paul Bansal  | Director   |
| Sh. Rajneesh Bansal  | Director   |
| Paul Merchants Limited   | Holding Company  |
| Sh. Shaibu Geevarghese Cherian                                     | Whole Time Director  |
| Sh. Ashish Narula  | Company Secretary  |
| PAUL OVERSEAS PVT LTD  | Private Company in which two directors are also shareholders and directors |
| PAUL ENERGY PROJECTS PRIVATE LIMITED                               | Private Company in which two directors are also shareholders and directors |
| PAUL EXCURSIONS PRIVATE LIMITED                                    | Private Company in which two directors are also shareholders and directors |
| PML HOLIDAYS PVT. LIMITED  | Private Company in which two directors are also shareholders and directors |
| PAUL FAST REMIT PVT. LIMITED                                       | Private Company in which two directors are also Directors                  |
| TALK MORE COMMUNICATIONS PRIVATE LIMITED                           | Private Company in which a director is also Director and shareholder       |
| PAUL DISTRIBUTORS  | Proprietorship firm in which Mrs. Sarita Rani Bansal is proprietor         |
| PAUL & COMPANY   | Partnership firm in which Mr. Sat Paul Bansal is partner                   |
| AGGARWAL RICE MILLS  | Proprietorship firm in which Sat Paul Bansal is Proprietor                 |
| PAUL FARM HOUSE  | Proprietorship firm in which Sat Paul Bansal is Proprietor                 |
| PML REALTORS PVT LIMITED   | Private Company in which two directors are also directors                  |
| TAPA GAS SERVICES  | Proprietorship firm in which Rajneesh Bansal is Proprietor                 |

| B. List of Related Party along with Transactions in Ordinary Course of Business |                                |                     |   |                                      |
|---|--------------------------------|---------------------|---|--------------------------------------|
| Nature of Transaction   | Key Management Personnel (Rs.) | Amount              | Paul Merchants Ltd. (Holding Company) (Rs.) | Managerial Remuneration Amount (Rs.) |
| Rent paid   | -                              | -                   | 22,43,952.00                                | -                                    |
| Rent received   | -                              | -                   | 8,16,960.00                                 | -                                    |
| Service Charges Received (DMT)  | -                              | -                   | 22,29,025.00                                | -                                    |
| Advance Taken from Directors  | 2,45,00,000.00                 | -                   | -   | -                                    |
| Advance repaid to Directors   | -                              | -                   | -   | 11,49,934.00                         |
| Managerial Remuneration   | 5,36,592.00                    | -                   | -   | -                                    |
| Remuneration paid to Key Management   | -                              | -                   | 52,89,937.00                                | 11,49,934.00                         |
| <b>Total</b>  | <b>2,50,36,592.00</b>          | <b>52,89,937.00</b> |   |                                      |

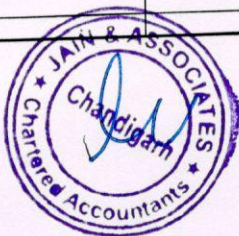
There are no other transactions with related parties which are not in ordinary course of business or not at arm's length.

**Note 17: Loan to Assets Ratio**  
As per Master Circular - "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015", the Company is maintaining Loan to Assets Ratio of 60.30% for loans granted against collateral security of Gold Jewellery.

| Particulars                                 | Amount (In Rs.) |
|---|-----------------|
| Advances against security of Gold Jewellery | 38,25,35,105.00 |
| Total Assets of the Company                 | 63,43,46,743.65 |

**Note 18 : Disclosure Required as per Reserve Bank Master Circular. RBI/DNBR/2016-17/44 Dated Sep 01,2016 On "Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016"**

|      |   | For the Period ended 31st March 2018 | For the Period ended 31st March 2018 |
|------|---|--------------------------------------|--------------------------------------|
| SNO. | Particulars   | Amount O/S As on 31st March, 2018    | Amount Overdue                       |
|      | - Liabilities Side                                    |                                      |                                      |
| (1)  | Interest accrued thereon but not paid                 | 4,32,05,567.54                       | NIL                                  |
|      | (a) Borrowing From Bank/FI                            | -                                    | NIL                                  |
|      | (b) Loan From Related Party                           |                                      |                                      |
|      | - Assets Side   |                                      |                                      |
|      | Breakup of loan & Advances including Bill Receivables |                                      | 38,65,11,940.00                      |
|      | (a) Secured   |                                      | 18,77,50,000.00                      |
|      | (b) Unsecured   |                                      |                                      |
|      | <b>Total</b>  |                                      |                                      |
| (3)  | - Other Information                                   |                                      |                                      |
|      | (i) Gross Non Performing Assets                       |                                      |                                      |
|      | (a) Related Parties                                   |                                      | 54,60,880.00                         |
|      | (b) Other than Related Parties                        |                                      |                                      |
|      | (ii) Net Non Performing Assets                        |                                      |                                      |
|      | (a) Related Parties                                   |                                      | 46,64,792.00                         |
|      | (b) Other than Related Parties                        |                                      |                                      |





Note 19 : Disclosure Required as per Reserve Bank Master Circular. RBI/ 2015-16/23 DNBR (PD) CC. No.044/03.10.119/2015-16 Dated July 01,2015

As per the company Policy ,the Company auctioned 47 defaulter loan accounts during the financial year. The outstanding dues on these loan accounts were Rs. 20,82,542/- till the respective date of auction. The Company realised Rs.19,74,603/- on auctioning of gold jewellery taken as collateral security on these loans. Company confirms that none of its sister concerns participated in the above auctions.

**Note 20. Earnings per Share**

(As per Accounting Standard 20 issued by ICAI)

| Particulars                         | As on 31st March 2018 | As at 31 March 2017 |
|-------------------------------------|-----------------------|---------------------|
|                                     | Amount (Rs.)          | Amount (Rs.)        |
| Net Profit for the Year (Rs. )      | 61,28,268.25          | 36,94,055           |
| Number of Equity Shares (Nos. )     | 1,72,90,000.00        | 51,60,000           |
| Basic & Diluted EPS (Rs per Share ) | 0.35                  | 0.72                |

**Note 21. Deferred Tax**

(As per Accounting Standard 22 issued by ICAI)

| Deferred Tax Assets on Account of Timing Differences | As at 01.04.2017<br>Amount (Rs.) | Arising During the Year<br>Amount (Rs.) | As at 31.03.2018<br>Amount (Rs.) |
|--|----------------------------------|---|----------------------------------|
| Depreciation   | -76,090                          | -5,851                                  | -81,941                          |
| Bonus  | 87,637                           | 34,519                                  | 1,22,156                         |
| Gratuity   | 1,26,644                         | 36,592                                  | 1,63,236                         |
| Leave Encashment                                     | 42,165                           | 21,656                                  | 63,821                           |
| Net Deferred Tax Asset                               | 1,80,356                         | 86,916                                  | 2,67,272                         |

**Note 22: Minimum Revenue from Operations**

The company has complied with RBI guidelines with regard to minimum stipulated revenue from operations of 50% since its start of business operations from December 2012.

**Note 23. Other Notes**

**Segment reporting**

Rs. In lacs

| S no | Particular                  | For the year ending 31st March | For the year ending 31st March |
|------|-----------------------------|--------------------------------|--------------------------------|
| 1    | Segment Revenue             |                                |                                |
| (a)  | GOLD                        | 426.46                         | 226.52                         |
| (b)  | DMT                         | 77.98                          | 86.32                          |
| (c)  | OTHER                       | 17.53                          |                                |
|      | Income from Operation       | 521.97                         | 312.83                         |
| 2    | Segment Expenditure         |                                |                                |
| (a)  | GOLD                        | 344.93                         | 193.20                         |
| (b)  | DMT                         | 90.72                          | 64.31                          |
| (c)  | OTHER                       | -                              | -                              |
|      | Expenses from Operation     | 435.65                         | 257.51                         |
|      | PROFIT BEFORE TAX (a) - (b) | 86.32                          | 55.33                          |
| 3    | Capital Employed            |                                |                                |
|      | GOLD                        | 5,943.06                       | 1,822.77                       |
|      | DMT                         | 390.24                         | 94.25                          |
|      | OTHER                       | 1.91                           | -                              |
|      | UNALLOCATED ASSETS          | 7.80                           | -                              |
|      | UNALLOCATED LIABILITIES     | -                              | -                              |
|      |                             | 6,343.00                       | 1,917.02                       |

**Note 24. Other Notes**

- As per information available to the company there are no outstanding dues owed to Small Scale undertakings as on 31.03.2018.
- Balance under Sundry Debtors, Sundry Creditors, Loans & Advances and Other Receivable and Payables are subject to confirmation and reconciliation.
- Additional information pursuant to Schedule III part I & II of the Companies Act. 2013 other than stated above is either NIL or NOT APPLICABLE.
- Accounting Policies and Notes 1 to 24 form integral part of Accounts for the year ending 31<sup>st</sup> March 2018.

RAJNEESH BANSAL  
(Director)  
DIN - 00077230  
#749, Sector 8,  
Chandigarh

SHAIIBU GEEVARGHESE CHENIAN  
(Whole Time Director)  
DIN 07319125  
Puthenparambil, Karipuram,  
Mukkoodu P.O., Kerala

Asish Varma  
Company Secretary  
Membership No. ACS28004  
#298, Phase 3B1,  
Mohali

BHUPINDER KAUR  
CFO  
Membership no 508485  
# 5 , Aashta Enclave 2 , Sec 127  
Mohali

**Auditor's Report**  
As per our separate reports of even date attached

For Jain & Associates  
Chartered Accountants  
FRN - 013677

CA. Neelaj Jain  
Partner  
M. No. 089477  
S.C.O.819-20, SECTOR -22 A, CHANDIGARH

Place: Chandigarh  
Date : 10/05/2018