

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAPITAL INDIA ASSET MANAGEMENT PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Capital India Asset Management Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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 31 March 2019, and its losses and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for opinion.

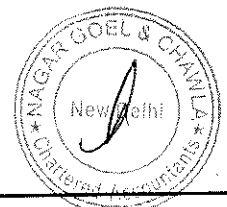
Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Board's Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information, and accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



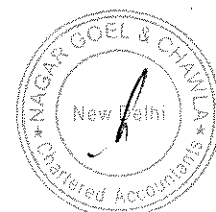
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure (A)" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Nagar Goel & Chawla

Chartered Accountants

ICAI Firm Registration No. : 009933N



Dharmender Singhal
Partner

Membership No.: 515984



Place: New Delhi

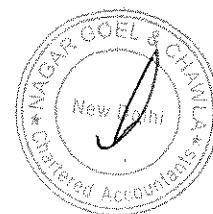
Date: 22 April 2019

ANNEXURE (A) TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CAPITAL INDIA ASSET MANAGEMENT PRIVATE LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2019, we report that:

- (i) In our opinion and according to the information and explanations provided to us, the Company does not have any fixed assets (property, plant and equipment) during the year under audit, hence paragraph 3(i) of the Order is not applicable to the Company.
- (ii) As per the information and explanations provided to us, the Company is in the business of asset management company and does not hold any physical inventories; hence the paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans to a companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'), therefore the paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not made any loan or investment and therefore paragraph 3(iv) of the Order is not applicable on the Company.
- (v) According to the information and explanations provided to us, the Company has not accepted any deposits from the public. Accordingly, the directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, are not applicable.
- (vi) According to the information and explanations provided to us, the Central Government has not specified for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the activities carried on by the Company. Hence, the provisions of paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues;
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax and other material statutory dues, as applicable. As explained to us, the Company did not have any dues on account of provident fund and employees' state insurance.

Further, there are no undisputed amounts payable outstanding as at 31 March, 2019 for a period of more than six months from the date they become payable.
 - (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not raised loan or borrowings from banks, financial institutions, Government or debenture holders during the year under audit and therefore paragraph 3(viii) of the Order is not applicable.

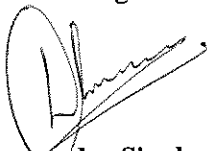


- (ix) According to the information and explanations provided to us, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and not availed the facility of term loans during the year under audit and therefore paragraph 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the company or any fraud by its officers or employees was noticed or reported during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no managerial remuneration has been paid or provided during the year under audit. Accordingly, paragraph 3(xi) of the Order is not applicable on the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further, according to the information and explanations given to us and based on our examination of the records of the Company, provisions of section 177 of the Act are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Nagar Goel & Chawla

Chartered Accountants

ICAI Firm Registration No. : 009933N



Dharmender Singhal

Partner

Membership No.: 515984



Place: New Delhi

Date: 22 April 2019

ANNEXURE (B) TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CAPITAL INDIA ASSET MANAGEMENT PRIVATE LIMITED

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **CAPITAL INDIA ASSET MANAGEMENT PRIVATE LIMITED** ("the Company") as of 31 March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

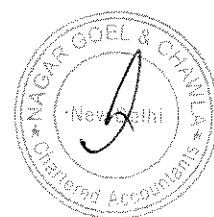
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 those 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.

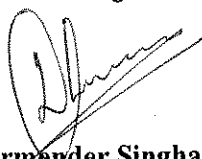
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Nagar Goel & Chawla

Chartered Accountants

ICAI Firm Registration No. : 009933N



Dharmender Singhal

Partner

Membership No.: 515984



Place: New Delhi

Date: 22 April 2019

**Capital India Asset Management
Private Limited**

Financial Statements
together with Auditors' Report
for the year ended 31 March 2019

Capital India Asset Management Private Limited

Financial statements together with Auditors' Report
for the year ended 31 March 2019

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Profit and loss account

Cash Flow Statement

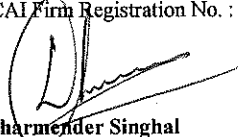
Notes to the financial statements

Capital India Asset Management Private Limited
Balance sheet as at 31 March 2019
(All figures are in rupees, except otherwise stated)

Particulars	Notes	As at 31 March 2019	As at 31 March 2018
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	5,00,000	1,00,000
(b) Reserves and surplus	4	(1,71,149)	(32,010)
		3,28,851	67,990
(2) Current liabilities			
(a) Trade payables	5	-	-
(i) Micro and small enterprises		10,000	31,935
(ii) Other than micro and small enterprises		10,000	31,935
Total		3,38,851	99,925
II. ASSETS			
(1) Current assets			
(a) Cash and bank balances	6	3,19,681	99,925
(b) Short-term loans and advances	7	19,170	-
		3,38,851	99,925
Total		3,38,851	99,925

Notes 1 to 16 forms part of the Financial statements
In terms of our report attached

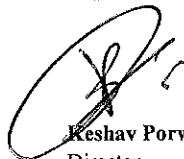
For Nagar Goel & Chawla
Chartered Accountants
ICAI Firm Registration No. : 009933N


Dharmender Singhal
Partner
Membership No. : 515984

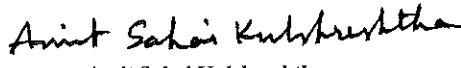
Place: New Delhi
Date: 22 April 2019



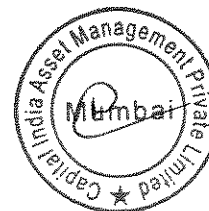
For and on behalf of the board
Capital India Asset Management Private Limited


Keshav Porwal
Director
DIN : 06706341

Place: Mumbai
Date: 22 April 2019


Amit Sahai Kulshreshtha
Director
DIN : 07869849

Place: Mumbai
Date: 22 April 2019



Capital India Asset Management Private Limited
Statement of profit and loss for the year ended 31 March 2019
(All figures are in rupees, except otherwise stated)

Particulars	Notes	Year ended 31 March 2019	Period ended 31 March 2018
I. Revenue from operations		-	-
II. Other income		-	-
III. Total revenue		-	-
IV. Expenses			
Other expenses	8	1,39,139	32,010
V. Total expenses		1,39,139	32,010
VI. Loss before tax (III-V)		(1,39,139)	(32,010)
VII. Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
VIII. Loss for the year/ period (VI-VII)		(1,39,139)	(32,010)

Earnings per equity share

Basic and diluted earning per equity share (in Rs.)
[face value Rs. 10 each]

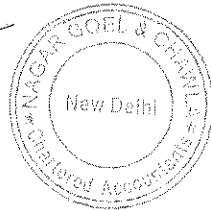
9 (5.28) (3.20)

Notes 1 to 16 forms part of the Financial statements
In terms of our report attached

For Nagar Goel & Chawla
Chartered Accountants

ICAI Firm Registration No. : 009933N

Dharmender Singhal
Partner
Membership No. : 515984



Place: New Delhi
Date: 22 April 2019

For and on behalf of the board
Capital India Asset Management Private Limited

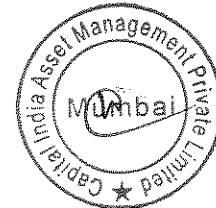
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Amit Sahai Kulshreshtha

Amit Sahai Kulshreshtha
Director
DIN : 07869849

Place: Mumbai
Date: 22 April 2019



Capital India Asset Management Private Limited
Cash flow statement for the year ended 31 March 2019
(All figures are in rupees, except otherwise stated)

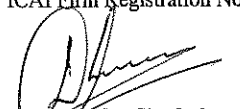
Particulars	Year ended 31 March 2019	Period ended 31 March 2018
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net loss before tax	(1,39,139)	(32,010)
Adjustments for :		
Adjustments for changes in working capital :		
(Increase) in loans and advances	(19,170)	-
Increase/(decrease) in trade payables	(21,935)	31,935
Cash generated from operations	(1,80,244)	(75)
Income tax paid	-	-
Net cash used in operating activities	(1,80,244)	(75)
B) CASH FLOW FROM INVESTING ACTIVITIES:	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity shares	4,00,000	1,00,000
Net cash generated from financing activities	4,00,000	1,00,000
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	2,19,756	99,925
E) Cash and cash equivalents as at the beginning of the year/ period	99,925	-
F) Cash and cash equivalents as at the end of the year/ period	3,19,681	99,925

Cash and cash equivalents comprises:

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks in current accounts	3,19,681	99,925
	3,19,681	99,925

Notes 1 to 16 forms part of the Financial statements
In terms of our report attached


For Nagar Goel & Chawla
Chartered Accountants
ICAI Firm Registration No. : 009933N

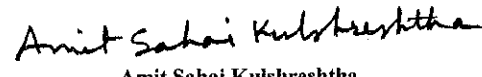

Dharmender Singh
Partner
Membership No. : 515984



Place: New Delhi
Date: 22 April 2019

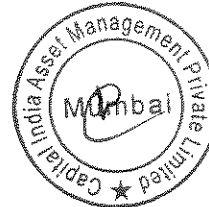
For and on behalf of the board
Capital India Asset Management Private Limited


Keshav Porwal
Director
DIN : 06706341


Amit Sahai Kulshreshtha
Director
DIN : 07869849

Place: Mumbai
Date: 22 April 2019

Place: Mumbai
Date: 22 April 2019



1 Background

Capital India Asset Management Private Limited ('the Company') was incorporated on 12 September 2017 as a private limited Company under the Companies Act, 2013 ('the Act').

The Company is a wholly owned subsidiary of Capital India Finance Limited and formed with the main objective of carrying out the business of an asset management company, to manage all types and kinds of assets of Mutual Funds in India or abroad & related activities as approved by the appropriate authority.

The Company has not yet commenced its business activities during the period. The Company's holding Company viz., Capital India Finance Limited has informed the Company of its intention of providing operational and financial support to the Company as and when they fall due atleast for a period of 12 months from the reporting date. Accordingly, the financial statements have been prepared on a going concern basis.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) rules, 2014, provisions of the Companies Act, 2013 (to the extent notified). The financial statements are presented in Indian rupees.

2.2 Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ('GAAP') requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.4 Revenue recognition

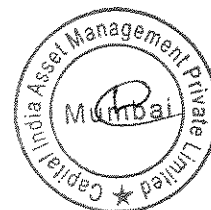
Revenue is recognized on accrual basis, when no significant uncertainty as to determination or realization exists.

2.5 Foreign currency transactions

Foreign exchange transactions are recorded the spot rate on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Non monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions.



2 Significant accounting policies (Continued)

2.6 Taxation

Income tax expense comprises current tax including minimum alternate tax ('MAT') (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized to the extent there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years and is recognized as tax credit in statement of profit and loss.

2.7 Provisions and contingencies

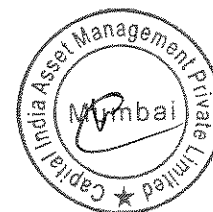
The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.8 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.9 Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.



Capital India Asset Management Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All figures are in rupees, except otherwise stated)

3 Share capital

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of Rs. 10 each	50,000	5,00,000	10,000	1,00,000
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	50,000	5,00,000	10,000	1,00,000
Total issued, subscribed and fully paid up share capital	50,000	5,00,000	10,000	1,00,000

a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
At the beginning of the year/ period	10,000	1,00,000	-	-
Add : Allotment during the year/ period	40,000	4,00,000	10,000	1,00,000
Outstanding at the end of the year/ period	50,000	5,00,000	10,000	1,00,000

b. Terms and rights attached to fully paid up equity shares:

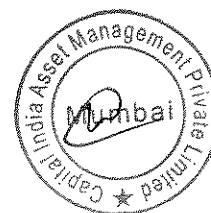
The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares held by holding company

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Capital India Finance Limited	50,000	5,00,000	10,000	1,00,000
	50,000	5,00,000	10,000	1,00,000

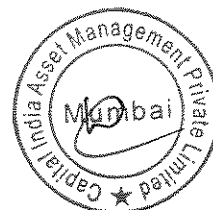
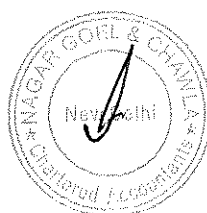
d. Shares in the Company held by each shareholder holding more than 5% shares

	As at 31 March 2019		As at 31 March 2018	
	Number	%	Number	%
Capital India Finance Limited	50,000	100%	10,000	100%
Total	50,000	100%	10,000	100%



Capital India Asset Management Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All figures are in rupees, except otherwise stated)

	<u>As at</u> <u>31 March 2019</u>	<u>As at</u> <u>31 March 2018</u>
4 Reserves and surplus		
Deficit in the statement of profit and loss		
Balance as per last financial statements	(32,010)	-
Less : Loss for the year/ period	<u>(1,39,139)</u>	<u>(32,010)</u>
Net deficit in the statement of profit and loss	<u>(1,71,149)</u>	<u>(32,010)</u>
Total reserves and surplus	<u><u>(1,71,149)</u></u>	<u><u>(32,010)</u></u>
5 Trade payables		
(i) Micro and small enterprises (refer note 15)	-	-
(ii) Other than micro and small enterprises	10,000	31,935
	<u>10,000</u>	<u>31,935</u>
6 Cash and bank balances		
Cash and cash equivalents		
Balances with banks		
- in current accounts	3,19,681	99,925
	<u>3,19,681</u>	<u>99,925</u>
7 Short-term loans and advances <i>(Unsecured, considered good)</i>		
Prepaid expenses	18,000	-
Balance with government authorities	1,170	-
	<u>19,170</u>	<u>-</u>
8 Other expenses		
Legal & professional charges	86,770	-
<u>Statutory auditors' remuneration</u>		
- Audit fees	10,000	5,000
- Other services	-	23,600
Rates & taxes	40,238	3,335
Miscellaneous expenses	2,131	75
	<u>1,39,139</u>	<u>32,010</u>
9 Earnings per share		
Net loss attributable to equity shareholders (Rs.)	(1,39,139)	(32,010)
Weighted average number of equity shares outstanding during the year/ period	26,329	10,000
Nominal value of an equity share (Rs.)	10	10
Basic and diluted earnings per share (in Rs.)	(5.28)	(3.20)



Capital India Asset Management Private Limited
Notes to the financial statements for the year ended 31 March 2019
(All figures are in rupees, except otherwise stated)

10 Contingent liabilities and Capital commitments

There are no contingent liabilities and capital commitments as on 31 March 2019. (31 March 2018: Nil)
 There were no pending litigations which would impact the financial position of the company.
 There are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

11 Related party disclosures

Disclosures as required by the Accounting Standard 18 (AS – 18) “Related Party Disclosures” are given below :

(i) Names of related parties with whom transactions have taken place during the period and description of relationship:

Name of the related party	Nature of relationship
Capital India Finance Limited	Holding Company

(ii) Details of transaction with related parties mentioned in (i) above are as follows:

<u>Transactions during the year/ period</u>	<u>Holding Company</u>	
	<u>31 March 2019</u>	<u>31 March 2018</u>
Reimbursement of expenses	-	26,935
Issue of equity shares (including nominees)	4,00,000	1,00,000
<u>Balances outstanding at the end of the year/ period</u>		
Trade payables	-	26,935

12 Deferred tax assets

The Company has not recognised deferred tax assets in respect of timing difference related to preliminary expenses and unabsorbed business loss at the end of the period as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such net deferred tax asset can be realised.

13 Earnings and expenditure in foreign currency (on accrual basis)

There are no reportable earnings and expenditure in foreign currency during the year ended 31 March 2019. (31 March 2018: Nil)

14 Segment information

The Company has not commenced its business activities during the year. Hence no disclosure is required pursuant to the notified Accounting Standard - AS 17 on ‘Segment Reporting’.

15 Dues to Micro and Small Enterprises

There are no amounts that need to be disclosed pertaining to Micro Small and Medium Enterprise Development Act, 2006 (the ‘MSMED’). As at 31 March 2019 & 31 March 2018, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under the MSMED.

16 Previous year comparatives

Figures for previous year have been regrouped/rearranged wherever necessary, to conform to current year’s classification.

In terms of our report attached

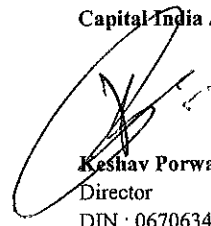
For Nagar Goel & Chawla
 Chartered Accountants
 ICAI Firm Registration No. : 009933N


Dharmender Singhal
 Partner
 Membership No. : 515984

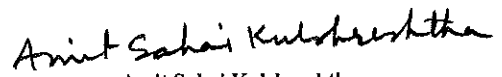


Place: New Delhi
 Date: 22 April 2019

For and on behalf of the board
 Capital India Asset Management Private Limited


Keshav Porwal
 Director
 DIN : 06706341

Place: Mumbai
 Date: 22 April 2019


Amit Sahai Kulshreshtha
 Director
 DIN : 07869849

Place: Mumbai
 Date: 22 April 2019

