

MEHTA & PAI

CA. SURESH S. MEHTA
B.Com.(Hons.), F.C.A.

CA. ARUN K. PAI
B.Com.(Hons.), F.C.A.

CHARTERED ACCOUNTANTS
B-16, Everest, 3rd Floor, 156, Tardeo Road,

Mumbai - 400 034.

SERVICE TAX REG. NO. AAFFM5366CST001

☎ : 2352 1910

📠 : 2351 6111

@ : casureshmehta@yahoo.in
aruntax@yahoo.co.uk

Independent Auditor's Report

To the Members of

Western Securities Limited,

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Western Securities Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules made there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the Ind AS financial statement 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 Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of financial position of the Company as at March 31, 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 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 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 MEHTA & PAI

Chartered Accountants

ICAI Firm Registration No. 113591W

Suresh S Mehta
Suresh S Mehta

Partner

M No 032230

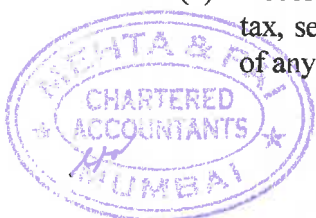
Place: Mumbai

Date: 02-05-2018

Annexure A to the Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2018, of **Western Securities Limited**)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In absence of inventories, clause (ii) of the Order is not applicable to Company.
- (iii) The Company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the body corporate listed in the register maintained under section 189 of the Act, no stipulation is made with regard to payment of interest.
 - (c) In the absence of stipulation with regard to payment of interest, we are unable to comment on the overdue interest amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and security provided, provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) During the year there were no employees in the employment of the Company. Accordingly the directions relating to Provident Fund and Employee's State Insurance are not applicable to the Company. Further based on our examination of the records of the Company Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts Payable in respect of above were in arrears, as at March 31, 2018 for a period of more than six months from the date on which they became payable.
- (b) According to the records of the Company, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.



- (viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3(viii) is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.
- (xi) In absence of any managerial personnel, no managerial remuneration is paid and therefore the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence clause 3 (xiv) is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) is not applicable to the Company.
- (xvi) 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 MEHTA & PAI

Chartered Accountants

ICAI Firm Registration No. 113591W

[Signature]
Suresh S Mehta

Partner

M No 032230

Place: Mumbai

Date: 02-05-2018

Annexure-B to Auditor's report

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

We have audited the internal financial controls over financial reporting of **Western Securities Limited** ("the Company") as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal



financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

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



FOR MEHTA & PAI

Chartered Accountants

ICAI Firm Registration No. 113591W

Suresh S Mehta

Partner

M No 032230

Place: Mumbai

Date: 02-05-2018

**AUDITED BALANCE SHEET AND PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON 31ST MARCH 2018**

WESTERN SECURITIES LIMITED

WESTERN SECURITIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2018

PARTICULARS	Note No.	31st March 2018	31st March 2017
		Rs.	Rs.
ASSETS			
(1) Non Current Assets			
(a) Investment Property	3	6,715,781	8,029,398
(b) Financial Assets			
(i) Investment	4	1,203,800	2,054,000
(ii) Loans	5	14,920,751	14,720,751
(iii) Other Financial Assets	6	34,314	34,314
(c) Non Current Tax Assets(Net)	7	186,790	174,174
(2) Current Assets			
Financial Assets			
(i) Investments	8	1,166,086	1,116,266
(ii) Trade Receivables	9	14,850	374,850
(iii) Cash and Cash Equivalents	10	305,441	523,231
(iv) Other Current Assets	11	1,413,122	401,900
TOTAL		25,960,934	27,428,884
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	20,000,000	20,000,000
(b) Other Equity		(1,150,948)	(42,487)
Total Equity		18,849,052	19,957,513
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial Liabilities			
Other Financial Liabilities	14	5,000,000	5,000,000
(b) Deferred Tax Liability	15	127,194	259,326
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payable	16	1,900,688	1,965,684
(b) Other Current Liabilities	17	48,500	207,361
(c) Provisions	18	35,500	39,000
TOTAL		25,960,934	27,428,884
Significant Accounting Policies and Notes to Accounts	1		

As per our report of even date


For MEHTA & PAI
Chartered Accountants
FRN No. 113591W

(SURESH MEHTA)
PARTNER
M.No 32230



For Western Securities Limited


Ajit Gulabchand Director


Shalaka Gulabchand Dhawan Director


Aditya Jain Director

D. M. Savur Director

PLACE : Mumbai
DATED : 2nd May 2018

PLACE : Mumbai
DATED : 2nd May 2018

WESTERN SECURITIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YAER ENDED ON 31ST MARCH 2018

	Particulars	Note No.	For the year ended on 31st March 2018	For the Year ended on 31st March 2017
			Rs.	Rs.
I	REVENUE FROM OPERATIONS		-	-
	(a) Other Operating Revenue	19	2,000,000	3,187,917
II	OTHER INCOME	20	2,490,324	2,240,982
	Total Income (I+II+III)		4,490,324	5,428,899
III	EXPENSES			
	Finance Cost	21	2,540	499,259
	Depreciation and Amortization expenses	3	1,313,617	422,600
	Other Expenses	22	2,268,155	2,616,649
	Total Expenses (IV)		3,584,312	3,538,508
V	Profit / (Loss) before exceptional items and Tax		906,011	1,890,391
VI	Exceptional Items		-	-
VII	Profit Before Tax (IV - V)		906,011	1,890,391
VIII	TAX EXPENSE			
	(a) Current Tax		1,054,000	840,000
	(b) Add: (Excess) / Short Provision of Earlier years written back / (Off)		242,404	-
IX	Profit(Loss) for the quarter / year from the continuing operations		(390,393)	1,050,391
X	Profit / (Loss) for the quarter / year from the discontinuing operations		-	-
XI	Tax Expense from discontinuing operations		-	-
XII	Profit / (Loss) for the quarter / year from the discontinuing operations		-	-
XIII	PROFIT FOR THE QUARTER / YEAR		(390,393)	1,050,391
	Other comprehensive income			
	(a) Items not to be reclassified subsequently to profit or loss			
	- Re-measurement gains on equity instruments		(850,200)	1,024,400
	- Income tax effect		132,132	(204,620)
	(b) Items to be reclassified subsequently to profit or loss			
	Other comprehensive income for the quarter / year, net of tax (B)		(718,068)	819,780
	Total comprehensive income for the quarter / year, net of tax (A+B)		(1,108,461)	1,870,171
	Earning per Share (Basic & Diluted) (Face Value of Rs. 10/- per Share)	25	(0.20)	0.53
	Significant Accounting Policies and Notes to Accounts	1		

As per our report of even date
For MEHTA & PAI
CHARTERED ACCOUNTANTS
FRN No. 113591W

(SURESH MEHTA)
PARTNER
M.No 32230



For Western Securities Limitd

Ajit Gulabchand
Ajit Gulabchand Director

Shalaka Gulabchand Dhawan
Shalaka Gulabchand Dhawan Director

Aditya Jain
Aditya Jain

D. M. Savur Director

PLACE : Mumbai
DATED : 2nd May 2018

PLACE : Mumbai
DATED : 2nd May 2018

WESTERN SECURITIES LIMITED.
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2018

(Amount in Rs.)

31st March 2018 **2016-17**

A. CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before tax and extraordinary items	906,011	1,890,391
Adjustments for :		
Depreciation	1,313,617	422,600
Dividend income	49,820	50,768
Operating profit before change in working capital	2,269,448	2,363,759
Adjustments for :		
Trade Receivables(Net of Provision for Doubtful debts)	360,000	21,499
Loans & Advances	(615,136)	517,420
Current / Non Current Liabilities	(227,357)	2,119,497
	(482,492)	2,658,417
NET CASH FLOW FROM OPERATING ACTIVITIES	1,786,955	5,022,176
Direct Taxes Paid (Net of Refund)	(1,309,019)	(585,812)
	477,936	4,436,364

B CASH FLOW FROM INVESTING ACTIVITIES

Investment in Mutual Fund	(49,820)	(50,768)
Inter corporate Deposit Given	(200,000)	(6,020,751)
Interest on Inter corporate Deposit Given	(396,086)	(131,400)
Dividend Income	(49,820)	(50,768)
NET CASH USED IN INVESTING ACTIVITIES	(695,726)	(6,253,687)

C CASH FLOW FROM FINANCING ACTIVITIES

Inter corporate Deposit Taken	-	(19,503,825)
Interest on Inter corporate Deposit Taken	-	(470,226)
NET CASH USED IN FINANCING ACTIVITIES	-	(19,974,051)

NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(217,789)	(21,791,375)
--	------------------	---------------------

CASH AND CASH EQUIVALENTS AS AT 01/04/2017 (OPENING BALANCE)	523,231	22,314,606
--	----------------	-------------------

CASH AND CASH EQUIVALENTS AS AT 31/03/2018 (CLOSING BALANCE)	305,441	523,231
	(217,789)	(21,791,375)

As per our report of even date

For MEHTA & PAI
CHARTERED ACCOUNTANTS
FRN No. 113591W

(SURESH MEHTA)
PARTNER
M.No 32230



For Western Securities Limited

Ajit Gulabchand
Ajit Gulabchand Director

Shalaka Gulabchand Dhawan
Shalaka Gulabchand Dhawan Director

Aditya Jain
Aditya Jain Director

D. M. Savur Director

PLACE : Mumbai
DATED : 2nd May 2018

PLACE : Mumbai
DATED : 2nd May 2018

WESTERN SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY

Particulars	Equity share capital	Other Equity	Other Comprehensive Income	Total
		Reserves and Surplus	Net Gain / (Loss) on FVTOCI of equity instruments	
		Retained Earnings		
Balance as of April 1, 2017	20,000,000	(1,621,591)	1,579,104	19,957,513
Changes in equity for the quarter ended on 31.03.18				
Profit / (Loss) during the quarter	-	(390,393)	(718,068)	(1,108,461)
Balance at the end of 31.03.2018	20,000,000	(2,011,984)	861,036	18,849,052

As per our report of even date
For MEHTA & PAI
 CHARTERED ACCOUNTANTS
 FRN No. 113591W

(SURESH MEHTA)
 PARTNER
 M.No 32230



For Western Securities Limitd

[Signature]
 Ajit Gulabchand

Director

[Signature]
 Shalaka Gulabchand Dhawan

Director

[Signature]
 Aditya Jain

Director

D. M. Savur

Director

PLACE : Mumbai
 DATED : 2nd May 2018

PLACE : Mumbai
 DATED : 2nd May 2018

Western Securities Limited

1 Summary of significant accounting policies and other explanatory information to the financial statements as at and for the year ended on 31st March, 2018

1.1 Basis of Preparation of Financial Statements

The financial statements ("the financial statements") of Western Securities Ltd ("the Company") have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified by the Companies (Accounting Standards) Rules, 2015 in respect of Section 133 of the Companies Act, 2013 ("the Act").

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities, share based payments and contingent consideration that are measured at fair values, on an accrual basis of accounting.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act.

1.2 Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.

- 1.3 Property is stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition / installation of the asset less accumulated depreciation and accumulated impairment losses if any. Subsequent expenditure relating to Property is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

1.4 Depreciation

Building has been depreciated on the written down value basis considering the useful life, prescribed in Schedule II to the Act.

Consequent to the adoption of Schedule II of Companies Act 2013, depreciation during the year includes prior period depreciation of Rs. 9,60, 154/- upto 31.03.2017.

1.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

i) Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at fair value through profit or loss.

iii) Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iv) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i) Equity Instruments and Financial Liabilities

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

1 Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

2 De-recognition of Financial Liabilities

Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/ (losses).


3 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis; to realise the assets and settle the liabilities simultaneously.

1.6 Cash & Cash Equivalents

Cash and cash equivalents comprise of cash at bank and cash on hand. The Company considers all highly liquid investments with an original maturity of three month or less from date of purchase, to be cash equivalents.

1.7 Provisions, Contingent Liabilities and Contingent Assets

- (a)** A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. When appropriate, the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.
- (b)** Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.
- (c)** Contingent assets are neither recognised nor disclosed in the financial statements.
- 

1.8 Finance Cost

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which it is accrued. Also, the EIR amortisation is included in finance costs.

1.9 Revenue Recognition

(a) Revenue from operations

Risk Management Fees and Compensation charges are accounted on accrual basis. Dividend income is accounted for when the right to receive the payment is established.

(b) Interest and Other Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Other income is accounted for on accrual basis. Where the receipt of income is uncertain it is accounted for on receipt basis.

1.1 Taxation

Tax on Income for the current year is computed in accordance with the provisions of the Income Tax Act, 1961.


The deferred tax charge or credit is recognized using the tax rates and tax laws that have been enacted on the Balance sheet date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. At each balance sheet date, recognized and unrecognized deferred tax assets are reviewed.

1.10 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit or loss for the year attributable to equity shareholders and weighted number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1.11 Segment Reporting

The Company's operation is considered under one segment namely "Business of an investment company" for internal reporting provided to the chief operating decision maker. Therefore, the Company's business does not fall under different operational segments as defined by Ind AS 108 - "Operating Segments" referred to in Section 133 of the Companies Act, 2013.



WESTERN SECURITIES LIMITED

Notes to Accounts

Note 3 Investment Property

Particulars	Investment Property
	Building
Gross block	
As at 1 April 2017	23,576,444
Additions	-
Deductions/ disposals	-
As at 31 March 2018	23,576,444
Accumulated depreciation / amortisation and impairment losses	
Balance as at 1 April 2017	15,547,046
Depreciation/ amortisation charge	1,313,617
Accumulated depreciation/ amortisation on disposals	-
As at 31 March 2018	16,860,663
Net block	
As at 31 March 2018	6,715,781

Information regarding income and expenditure of Investment Property

	31st March 2018 Rs.	31st March 2017 Rs.
Rental Income derived from investment property	600,000	600,000
Direct operating Expenses (including repairs and maintenance) generating rental income	(2,174,278)	(810,364)
Profit arising from investment properties before depreciation and indirect expenses	(1,574,278)	(210,364)
Less : Depreciation	(1,313,617)	(422,600)
Profit arising from investment properties before indirect expenses	(2,887,895)	(632,964)

The Fair Value of the Land as at the Balance Sheet date is Rs. 13,35,58,236/-

Estimation of fair value

The fair value of investment properties have been determined by taking reckoner value. The main inputs used are the rates based on comparable transactions and industry data. The resulting fair value estimates for investment property are included in level 3.

Am

WESTERN SECURITIES LIMITED

Notes to Accounts

PARTICULARS	As At	As At
	31ST MAR 2018	31st MARCH 2017
	Rs.	Rs.
Note No. - 4		
Investments		
<u>Trade Investments</u>		
<u>Long term Quoted (at cost)</u>		
52000 (P.Y.52,000) equity shares of Hindustan Construction Company Ltd		
Market Value Rs. 12,03,800/- (Previous year Rs. 20,54,000/-)	1,203,800	2,054,000
	1,203,800	2,054,000
Note No. - 5		
LOANS		
<u>Loans & Advances given to related parties</u>		
ICD to Hindustan Construction Co Limited (Refer Note 1)	11,400,000	11,200,000
ICD to Lavasa Corporation Limited (Refer Note 1)	2,500,000	2,500,000
ICD to Highbar Technologies Limited (Refer Note 1)	1,020,751	1,020,751
	14,920,751	14,720,751
Note No. - 6		
Other Financial Assets		
<u>Security Deposit</u>	34,314	34,314
	34,314	34,314
Note No. - 7		
Non Current Tax Assets		
<u>Advance payment of taxes (Net of Provision)</u>	186,790	174,174
Advance Tax Rs. 25,32,790/- (P.Y. Rs. 40,03,124/-)		
Tax Provision Rs. 23,46,000/- (P.Y. Rs. 38,29,000/-)		
	186,790	174,174
Note No. - 8		
Investments		
<u>QUOTED INVESTMENT</u>		
<u>Investment in Mutual Fund</u>		
586.878 units of ICICI Money Market Fund	58,798	56,272
(Market Value Rs. 100.1879 p.u./-)		
1103.701 units of SBI Premier Liquid Fund	1,107,288	1,059,994
(Market Value Rs. 1003.25 p.u./-)		
	1,166,086	1,116,266
Note No. - 9		
TRADE RECEIVABLES		
<u>Unsecured considered good</u>		
Outstanding over 6 months	14,850	374,850
Others	-	-
	14,850	374,850
Note No. - 10		
Cash and Cash Equivalents		
(a) Bank Balance with Scheduled bank in current account	304,090	521,880
(b) Cash on hand	1,351	1,351
	305,441	523,231
Note No. - 11		
OTHER CURRENT ASSETS		
(i) Balances with government authorities	0	120,456
(ii) Interest receivable on ICD (From related parties) (Refer note no 23)	674,618	278,532
(iii) Prepaid Insurance	2,716	2,912
(iv) Others	735,788	-
	1,413,122	401,900

AMV

Western Securities Limited

Notes Forming Part of Financial Statements As On 31st March, 2018
(All amounts are in INR Rupees, unless stated otherwise)

Note No. 12 - Financial instrument

Financial instruments by Category

Particulars	As at 31.03.2018	As at 31.03.2017
Financial Assets		
At Amortised Cost		
Loans	14,920,751	14,720,751
Other Financial Assets	1,447,436	436,214
Trade Receivables	14,850	374,850
Cash and Cash Equivalents	305,441	523,231
At Fair Value through Profit & Loss	1,166,086	1,116,266
Total of Financial Assets	17,854,564	17,171,312
Financial Liabilities		
At Amortised Cost		
Borrowings - Inter corporate deposit		
Trade Payables	1,900,688	1,965,684
Total of Financial Liabilities	1,900,688	1,965,684

Fair Value Hierarchy :

Fair value hierarchy - Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole. All financial instruments fall under the category of Level 3

Recognised fair value measurements

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Financial risk management

The companies activities exposes it to market risk, liquidity risk and credit risk.

This note explains the source of risk which the entity is exposed to and how the entity is manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents.	Aging analysis Credit ratings	Diversification of bank
Market risk — foreign exchange	-	-	-
Market risk — interest	-	-	-
Liquidity risk	Borrowings, Trade Payables and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing

The Company's risk management is carried out under policies approved by board of directors. The Management of the Company provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, and credit risk, use of derivative financial instrument and non-derivative financial instrument, and investments of excess liquidity.

gsm

(a) Credit Risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost. Credit risk on cash balances with Bank are limited because the counterparties are entities with acceptable credit ratings.

(b) Liquidity Risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

As At March-2018

	Borrowings	Non Current Financial Liability	Other Financial Liabilities	Other Current Liabilities
Non-derivatives				
Within 1 Year	-	-	1,900,688	84,000
One to 5 Years	-	-	-	-
More Than 5 Years	-	5,000,000	-	-
Total	-	5,000,000	1,900,688	84,000

As At March-2017

	Borrowings	Non Current Financial Liability	Other Financial Liabilities	Other Current Liabilities
Non-derivatives				
Within 1 Year	-	-	1,965,684	246,361
One to 5 Years	-	-	-	-
More Than 5 Years	-	5,000,000	-	-
Total	-	5,000,000	1,965,684	246,361

WESTERN SECURITIES LIMITED		
Notes to Accounts		
PARTICULARS	As At	As At
	31ST MAR 2018	31st MARCH 2017
	Rs.	Rs.
Note No. - 13		
SHARE CAPITAL :		
<u>Authorised Capital</u>		
20,00,000 (P.Y. 20,00,000) Equity Shares of Rs. 10/- each	20,00,000	20,00,000
600 (P.Y. 600) 2% Redeemable Non-cumulative Preference Shares of Rs. 100/- each	60,000	60,000
	20,060,000	20,060,000
<u>Issued, Subscribed & Paid-up Capital</u>		
20,00,000 (P.Y. 20,00,000) Equity Shares of Rs. 10/- each fully paid up	20,00,000	20,00,000
	20,00,000	20,00,000
Reconciliation of shares outstanding at the beginning and at the end of the reporting period.		
Equity shares :		
No of shares outstanding at the Beginning of the year :	Qty	2,000,000
	Value	20,00,000
Add : Share issued and allotted during the year	Qty	-
	Value	-
No of shares outstanding at the End of the year :	Qty	2,000,000
	Value	20,00,000
Terms / Rights attached to shares :		
<u>Equity shares</u>		
Shares held by Holding Company :		
Hindustan Construction Company Limited	Qty	1,957,400
Share Holding of more than 5% :		
Hindustan Construction Company Limited	% Held	97.875
	No of Shares	1,957,400
Note No. - 14		
OTHER FINANCIAL LIABILITIES		
Security Deposit from Hindustan Constrction Co Limited	5,000,000	5,000,000
	5,000,000	5,000,000
Note No. - 15		
Deferred Tax Liability		
Deferred Tax related to items recognised in OCI during the year :		
Unrealised (Gain) / Loss on FVTOCI financial assets	127,194	259,326
	127,194	259,326
Note No. - 16		
Trade Payable		
Hewlett Packard Enterprise India Pvt Ltd	1,900,688	1,965,684
	1,900,688	1,965,684
Note No. - 17		
OTHER CURRENT LIABILITIES		
Statutory dues	48,500	199,999
Others	-	7,362
	48,500	207,361
Note No. - 18		
SHORT TERM PROVISIONS		
Audit Fees	27,500	25,000
Other professional Fees	8,000	14,000
	35,500	39,000

WESTERN SECURITIES LIMITED

Notes to Accounts

PARTICULARS	For the year ended on	For the year ended on
	31ST MARCH 2018	31st MARCH 2017
	Rs.	Rs.
Note No. - 19		
<u>OTHER OPERATING REVENUE</u>		
Risk management fees/Consultancy Charges for Equity		
Restructuring & Due diligence / strategic advisory	2,000,000	3,187,917
	2,000,000	3,187,917
Note No. - 20		
<u>OTHER INCOME</u>		
Interest on Inter Corporate Deposit	1,840,504	1,561,365
Interest on Fixed Deposit	-	28,849
Rent Received	600,000	600,000
Dividend from Mutual Fund	49,820	50,768
	2,490,324	2,240,982
Note No. - 21		
<u>FINANCE COST</u>		
Interest on Inter Corporate Deposit taken	-	495,973
Finance Charges	2,540	3,286
	2,540	499,259
Note No. - 22		
<u>OTHER EXPENSES</u>		
Insurance	3,456	3,164
General Expenses	6,765	3,878
Consultancy Charges	(1,500)	1,771,493
Interest on Income Tax	55,031	-
<u>Auditors Remuneration</u>		
Audit Fees	27,625	25,250
Rates and Taxes	141,709	137,507
Repairs and maintenance - Building	2,035,069	675,357
	2,268,155	2,616,649

Western Securities Limited

Note No 23 Related Party Disclosures

A. Name of relatd parties

No.	Name of the Company	Country of Incorporation	Relationship
1	Hindustan Construction Company	India	Holding Company
2	Highbar Technologies Limited	India	Fellow Subsidiary
3	Lavasa Corporation Limited	India	Fellow Subsidiary
	Joint Venture		
1	Nathpa Jhakri Joint Venture	India	(HCC-40% NJJV 60%)

B. Transactions with Related Parties i.e. Parent Company & Fellow Subsidiary and Other Related Parties.

(Amount in Rs.)

(Amount in Rs.)

	Particulars of Transaction	Fellow Subsidiary		Holding Company	
		2017-18	2016-17	2017-18	2016-17
Rendering of Services :					
a.	Rent (Hindustan Construction Co. Limited)	-	-	600,000	600,000
b.	Rendering of services (Hindustan Construction Co. Limited)	-	-	-	1,750,000
Interest Income on ICD Given :					
a.	Int on Inter Corporate Deposit given (Hindustan construction Co Limited)	-	-	1,400,410	1,087,500
b.	Int on Inter Corporate Deposit given (Highbar Technologies Limited)	127,594	-	-	-
c.	Int on Inter Corporate Deposit given (Lavasa Corporation Limited)	312,500	297,945	-	-
Outstanding Payable :					
a.	Deposit against Lease Premises(Hindutan Construction Co. Limited)	-	-	5,000,000	5,000,000
b.	Inter Corporate Deposit repaid (NJJV)	-	(18,949,178)	-	-
c.	Int on Inter Corporate Deposit taken (NJJV)	-	315,906	-	-
d.	Other Receivables				687,199
Outstanding Receivable :					
a.	Inter Corporate Deposit given (Hindustan construction Co Limited)	-	-	11,400,000	11,200,000
b.	Inter Corporate Deposit given (Lavasa Corporation Limited)	2,500,000	2,500,000	-	-
c.	Inter Corporate Deposit given (Highbar Technologies Limited)	1,020,751	1,020,751	-	-
d.	Int on Inter Corporate Deposit given (Highbar Technologies Limited)	125,217	10,382	-	-
e.	Int on Inter Corporate Deposit given (Hindustan construction Co Limited)	-	-	539,389	679,836
f.	Int on Inter Corporate Deposit given (Lavasa Corporation Limited)	549,401	268,150	-	-
e.	Other Receivables			196,396	-

Note no. 24 The Micro Small and Medium enterprises, to whom the amount outstanding for more than 30 days is Nil. The information has been complied to the extent they could be identified as small scale and ancillary undertakings on the basis of information available with the Company & relied upon by the auditors.

Note no. 25 Earnings per Share

Sr No.	Particulars	2017-18	2016-17
i.	Net Profit /(Loss) as per Statement of Profit & Loss Account available for Equity Shareholders (Rupees)	(390,393)	1,050,391
ii.	No. of Shares of Equity Shares for EPS Computation	2,000,000	2,000,000
iii.	EPS (Basic & Diluted) (Rupees) (Face Value `10/- per Share)	(0.20)	0.53

Handwritten signature

Note no. 26 During the year, there are no employees on payroll; hence disclosures under Ind AS 19 "Employee Benefits" are not applicable.

Note no. 27 There are no reportable contingent liabilities as on Balance Sheet Date.

Note no. 28 Previous year's figures have been regrouped / recast, wherever necessary.


As per our report of even date

For MEHTA & PAI
CHARTERED ACCOUNTANTS
FRN No. 113591W

(SURESH MEHTA)
PARTNER
M.No 32230



For Western Securities Limited


Ajit Gulabchand Director


Shalaka Gulabchand Dhawan Director


Aditya Jain Director


D.M. Savur Director

PLACE : Mumbai
DATED : 2nd May 2018

PLACE : Mumbai
DATED : 2nd May 2018