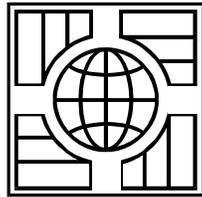


OCTAL CREDIT CAPITAL LIMITED



**25TH ANNUAL REPORT
2016-2017**

OCTAL CREDIT CAPITAL LIMITED

CIN : L74140WB1992PLC055931

REGISTERED OFFICE : 16A, SHAKESPEARE SARANI, UNIT-II, 2ND FLOOR, KOLKATA – 700 071

Ph no. 033-2282-6815/6818/6899, Fax no. 033-2231-4193

Email: octal1@cal2.vsnl.net.in | octalcredit1992@gmail.com Website : www.occl.co.in

**Board of Directors**

Mr. Dilip Kumar Patni - Director

Mr. Arihant Patni - Whole Time Director

Mr. Kamal Nayan Jain - Non Executive Promoter Director

Mr. Bijay Kumar Bagri –Non Executive , Independent Director

Mr. Sambhu Nath Jajodia – Non Executive, Independent Director

Mrs. Vandana Patni – Non Executive Promoter Director

Chief Financial Officer

Mr. Shyam Arora

Company Secretary

Mrs. Payal Bhutoria

Audit Committee

Mr. Sambhu Nath Jajodia - Chairman

Mr. Bijay Kumar Bagri

Mr. Dilip Kumar Patni

Nomination and Remuneration Committee

Mr. Sambhu Nath Jajodia- Chairman

Mr. Bijay Kumar Bagri

Mr. Dilip Kumar Patni

Stakeholders Relationship Committee

Mr. Dilip Kumar Patni - Chairman

Mrs. Vandana Patni

Mr. Kamal Nayan Jain

Registered & Corporate Office

16A, Shakespeare Sarani,

Unit II, 2nd Floor,

Kolkata – 700 071

Auditors

M/s Jain Binod & Associates

Chartered Accountants

1, R. N. Mukherjee Road,

Kolkata – 700 001

Registrar & Share Transfer Agent

Niche Technologies Private Limited

D-511, Bagree Market, 5TH Floor,

71, B.R.B.Basu Road,

Kolkata – 700 001

Bankers

Axis Bank Limited

Oriental Bank Of Commerce

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GREEN INITIATIVE

DEAR SHAREHOLDER

Sub : MCA's Green Initiative for Paperless Communications

Ministry of Corporate Affairs ("MCA") has recently taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies. Towards this, MCA has issued Circulars dated 21 April 2011 and 29 April 2011 stating that the service of notice / document by a company to its shareholders can now be made through electronic mode, subject to a few conditions.

Our company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delays in postal transit.

We, therefore, propose to send documents, such as the Notice of the Annual General Meeting, Annual Report, Half-yearly communications etc. henceforth to shareholders in Electronic Form at the e-mail address provided by them and made available to us by the depositories from time to time.

In case you wish to receive all the above communications in electronic form; and

- [A] hold your shares in dematerialized form, kindly register your e-mail address with your Depository Participant at the earliest; or
- [B] hold your shares in physical form, kindly register your e-mail address with Niche Technologies Private Limited our Registrar and Share Transfer Agent, at the following address at the earliest;

Mr. S. Abbas,
Niche Technologies Private Limited
D- 511 , Bagree Market,
71, B.R.B.Basu Road, Kolkata 700 001
E-mail Address: sabbas@nichetechpl.com

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our company website, **www.occl.co.in** The document will also be available to you for inspection at the Registered Office of the company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is being welcomed by companies like us. Needless to say, you will be, as a member of the company, entitled to be furnished with a copy of the above mentioned documents as required under the provisions of the Companies Act, 1956/2013, free of cost, upon receipt of a requisition from you any time.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiatives of the Government in the interest of environment, which is the need of the hour.

This communication may be ignored, if your email address is already registered with your Depository Participant.

Thanking you,

Yours Truly,

For Octal Credit Capital Limited,

Payal Bhutoria
Company Secretary

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**CHAIRMAN'S STATEMENT***Dear Shareholders,*

It gives me immense pleasure to address you in the annual report of our 25th business anniversary. It has been a glorious quarter century of Octal Credit Capital Limited in serving the Indian consumers through its financial offering .

Global recovery in FY16-17 remains fragile amidst slowdown in trade, rising tendency towards protectionism and slower growth in productivity. Global financial markets continue to face elevated levels of uncertainty, notwithstanding the resilience exhibited in overcoming the outcomes of Brexit referendum and the US presidential election.

While the unconventional monetary policy measures have so far fallen short of achieving their intended objectives, the central bank in advanced economics are unlikely to end them abruptly because of the concern on potential impact on financial stability and limited scope for alternative measures on fiscal front. However financial markets would continue to grapple with headwinds from uptick in US interest rates.

For NBFC sector, it was another difficult year adhering to tight provisioning norms from RBI. It is mandatory for all NBFCs now, to maintain a net owned fund of RS 2 crores by the end of 2017 and various other measures towards nonperforming assets came into effect.

According to the Reserve bank of India's (RBI) Financial Stability Report, NBFC loans expanded 16.6% in the year, twice as fast as the pedestrian credit growth of 8.8% across the banking sector. The aggregate balance sheet of the NBFC sector expanded 15.5% in fiscal 2016 in comparison to 15.7% from the previous year. The profitability of NBFCs was significantly higher as compared to the commercial banks.

OCCL faced a challenging year, due to which the company made a loss during the period. In the year ending 31st March, 2017, company's revenue declined to Rs 24.29 lacs with a Negative EPS of Rs 0.15.

Looking ahead for FY 2017-2018 we will capitalized on the improving demand and look to improve the performance of the company. Despite of the challenging environment, I'm proud of the way the company has delivered its performance.

I wish the team and working staff greeting of success. The board joins me in expressing our deep appreciation to all the share holders, Employees and management team for the support, co-operation and understanding for the decision that have made throughout. The management is conscious of your increasing expectations and is gearing of fulfill the same. We remain committed in creating long term value for our stakeholders.

Regards,
Dilip Kumar Patni
Chairman

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

NBFCs in India

OCCL is a registered NBFC-ND with RBI and the company is listed with BSE Ltd and Calcutta Stock Exchange Ltd. The company is actively engaged in the fund based activities, providing loans and advances, inter corporate deposits, investment in shares & securities etc. OCCL services today are readily available to individual, corporate, financial institutions etc.

It is a professionally managed company, which focuses its vision on financial services & follows strict code of conduct of business by practicing fair business values with stake holders and society at large. It had been complying with all relevant enactments and status of the law in letter & in spirit. There is a strict adherence to ethics and responsibility towards all those who come within its corporate ambit.

The year 2016-17 has been a tough year for the NBFCs on account of RBI's strict norms related to provisioning. NBFCs have emerged as vital intermediaries and have competed strongly with banks and financial institutions. However, the last two years have been challenging for the NBFC sector with asset growth rates moderating, delinquencies rising and profits plummeting. However, ample capital adequacy, a shift towards secured lending and lowered ALM risks have helped the sector absorb cyclical stresses on asset quality and profitability. The NBFC sector has been engaged in steady consolidation during the past few years and has been witness to weaker NBFCs gradually exiting, paving the way for a stronger sector.

Global economy – Overview

After a lackluster out turn in 2016, economic activity is projected to pick up pace in 2017 and 2018, especially in emerging market and developing economics. However there is a wide dispersion of possible outcomes around the projections, given uncertainty surrounding the policy stance of the incoming U.S. administration and its global ramifications. The assumption underpinning the forecast should be more specific by the time of the April 2017 World Economic Outlook, as more clarity emerges on US policies and their implications on the global economy. With this caveats, aggregate growth estimates and projections for 2017-18 remain unchanged relative to the October 2016 World Economic Outlook. The outlook for advanced economics has improved for 2017-18 reflecting somewhat stronger activity in the second half of 2016 as well as a projected fiscal stimulus in the United States. Growth prospectus has marginally worsened for emerging market and developing economics, where financial conditions have generally tightened. Near-term growth prospectus were revised up for china, due to expected policy stimulus but were revised down for a number of other large economies-most notably India, Brazil and Mexico.

This forecast is based on the assumption of changing policy mix under a new administration in the United States and its global spillovers. This now project some near term fiscal stimulus and a less gradual normalization of monetary policy. This project is consistent with the steepening U.S. yield curve, the rise in equity prices, and the sizable appreciation of the U.S. dollar since the November 8 election. This WEO forecast also incorporates a firming of oil prices following the agreement among OPEC members and several other major producers to limit supply.

According to IMF World Economic Outlook Update (January 2016) Indian economy is expected to grow at 7-7.20 percent during FY2017-2018 despite the uncertainties in the global market. The Economic Survey had forecasted that the Indian economy will grow in between 6.75% – 7.50% for the third successive year and can start growing at eight percent or more in next two years.

According to Fitch Rating Agency, India's gross domestic product (GDP) will be around 6.9 percent in FY 2017-18 and slowly accelerate to 8 percentages by FY 2018-19 driven by the gradual implementation of structural reforms, higher disposable income and improvement in economic activity.

Global financial markets continue to face elevated levels of uncertainty notwithstanding the resilience to the outcomes of Brexit referendum and the US election. A negative feedback loop arising from productivity and global trade slowdowns and rising protectionism is adding to the pessimistic outlook on global recovery even as the uptick in US interest rates poses a significant risk to emerging market economies.

While the spillover of global events to the domestic economy may continue to be significant, reduced policy uncertainty, along with tax and legislative reforms will help in realising the benefits from the strong macroeconomic fundamentals. The



measures such as transition to the nationwide goods and services tax (GST) and the withdrawal of legal tender status of specified bank notes (SBNs) could potentially transform the domestic economy, notwithstanding some inconvenience to public and the momentary adverse impact on growth. While the financial performance of the corporate sector has improved in 2016-17, the risk of lower turnover remains.

Indian Economy – Overview

Domestic macroeconomic conditions remain stable with significant moderation in inflation. Moreover reduced policy uncertainty and legislative and tax reforms such as implementation of goods and services tax (GST) and enactment of bankruptcy laws are expected to reinforce the benefit from the strong macro fundamentals. The withdrawal of legal tender status of specified bank notes (SBNs) could potentially transform the domestic economy. While the overall risk to the corporate sector moderated in 2016-17, concerns over its recovery.

Domestic debts and equity markets witnessed foreign portfolio investment out flows since October 2016 reflecting expectations of increase in the interest rates by the US Fed. The domestic mutual funds have emerged as a counter balance to foreign portfolio investors as they increased their net investment significantly.

According to Fitch Rating Agency India's Gross Domestic Product (GDP) will likely grow by 7.7 percent in FY 2016-17 and slowly accelerate to 8 percent by FY 2018-19, driven by the gradual implementation of structural reforms, higher disposable incomes and improvement in economic activity. The GNPA (gross non performing advances) ratio of SCBs increased to 9.1% in September 2016 from 7.8% in March, pushing the overall stressed advances ratio to 12.3% from 11.5%. The large borrowers registered significant deterioration in their asset quality

Opportunity and threats

Our lending operations were quite focused but due to New NPA provisioning norms it made imperative for us to shift focus towards opportunities that generate earnings growth in the future. Corporate finance is one such field where we want to leverage our experience and expertise. Going ahead, we expect substantial margins from corporate financing, which will transform into higher profitability and recovery debts.

At Octal, we shifted our focus on identifying pockets of opportunities across our network of operations. We redefined our model to serve corporate in need for small ticket size loans than those with large ticket size loan amount. This would bring in multiple benefits to us. One it would protect our margins and de-risk us from larger NPAs. Two, it would broaden our customer portfolio, widening our revenue basket in the coming years. We are confident that with this strategy we shall demonstrate our capabilities to strengthened our loan book, and create more values for our loan book, and create more value for our stakeholders. Your company has also adopted strategies to shift towards secured lending practices there by bringing down its gross NPAs and increasing its income from operations and profitability.

The company is exposed to all risked & threat with financial markets & Non Banking Finance Company faces. In financial service business, effective management has become very crucial. As an NBFC, your company is exposed to credit risk, liquidity risk and interest rate risks. Your company has in place suitable mechanism to effectively reduce such risks. All risks are continuously analysed and reviewed at various levels of management through an effective information system. The company is also facing risk of heavy ups and downs in stock market which can be minimized due to risk management system of our company. Slow industrial growth, Being in an independent sector, competition from banks and financial institutions, Globalization of Indian market, Major shakeout in the NBFC sector, Hesitations on the parts of bank to continue to finance HP and leasing ventures, introduction of rigorous regulatory and supervision system are some other risk for which we are taking preventive measures as suitable. Can threats be handled using strengths? The perceived threat of stiff competition within the NBFCs as well as with banking sector can be eliminated /minimized by using the strength of being a niche player, consolidation and focus.

It is clear that NBFCs can themselves take steps to minimize their weakness and face all threats by making better use of strengths and opportunities, identified by them. The areas where active intervention is required is the area of debt recovery for which the support and encouragement of the government is required. The future of the NBFC sector is bright with ample opportunities thrown open to the NBFC sector.

With the growing mobile and data connectivity there is a sea change in terms of service availability. The Government's drive towards a connected and Digitized Indian economy coupled with advances high accessible trading platforms via mobile and



growing awareness ensures that the securities and commodities market will grow steadily. India's population is gradually moving up the income curve and also India is the fastest growing major economy which in turn has increased the credit scope for the industry and availability of larger and deeper market.

The RBI has continuously reduces the policy rate over the last two years making cost of capital more affordable . This would enhance and push economic growth.

With inflation well under RBI's target, it has maintained liquidity in the market. If the inflation spikes up RBI could curb liquidity in the market which may have adverse impact on margins. There is a growing concern about the geopolitical scenario in the Middle East and Asia Pacific. It can have an adverse effect on global trade and markets.

Risks and mitigation

India's financial system remains stable. The stress on banking sector particularly the PSBs remain significant. The result of the latest systematic survey conducted by the reserve bank in October 2016 indicated that among risk affecting the financial system, 'global risk' were perceived to be in 'medium' category while average quality of credit was expected to remain unchanged over the next quarter.

OCCL is exposed to specific risks that are particular to its business and environment within which it operates, including market risks, operational risk, credit risk, liquidity risk, interest risk, human resource risk, operational risk and regulatory risk. Apart from these unforeseen natural disasters and geo-political problems are also areas of concern. OCCL management is committed to ensure that risks are kept under control to develop a sustainable business model that is capable of maximizing share holder's returns. The risk governing the business is detailed in the corporate governance report forming part of the Annual Report. Regular reviews by Audit Committee and board that eventually reports to ensure assessment of the evolving and changing market and operational risks. The RMC meets at regular intervals to chalk out road-map in respect of building asset base as well as maintaining port folio quality in the evolving market.

Being in the credit business, OCCL is exposed to risks that are innate to the business environment which include market, credit, operational, human resource, interest, liquidity and economic risks. Further, unforeseen natural disasters and geopolitical problems may also have an adverse impact on the Company's business. At OCCL, we dynamically observe and measure all possible risks and address them proactively, farsightedly and ethically.

Internal Control Systems

OCCL has adequate internal control mechanism with well defined structure and processes to prevent revenue loss and/or misappropriation of funds and other assets of the company. The OCCL maintains a system of internal controls designed to provide a high degree of assurance regarding effectiveness and efficiency of financial operations, the adequacy of safe guard for assets, the reliability of financial and controls and compliance with applicable laws. Internal audit functions conducted by independence chartered accounts firms on quarterly basis and the report is placed before the Audit Committee of the company for reviewing and observing the changes.

The board of the company has constituted an Audit Committee, which is headed by Non-Executive independent Director. The audit committee periodically reviews internal audit reports and bring to the notice of the Board any significant process deviations. The internal control function is vested with Audit Committee members who hold eminent experience in the field of company's business. The Audit committee is the responsible for evaluating and reporting the adequacy and effectiveness of design of processes and internal controls and in mitigating the business risks. The level of discipline in process of compliance by various functions and process owners in their respective operations and business decisions. The modus operandi, internal/external involvement and collusion as well as corresponding process lapses/non-compliances by investigating the suspected fraudulent cases.

The organization is well structured with documented and pre –defined authority. The company has implemented suitable controls to ensure that all resources are utilized optimally, financial transaction are reported with accuracy and there is strict adherence to applicable laws and regulations.

Human resources

The company continue to emphasize on retaining, nurturing its human resource base. It recognized the role that human capital plays in the modern workplace and aims to create a harmonious environment to enable the raising of employee



productivity and hence allow employees to reach full potential. Later the company prospects to expand its operations which will require to raise our human resource.

Operations and financial performance

Various norms were introduced by RBI, such as, limit of minimum Net Owned Fund to Rs 2 crore, Existing unrated asset finance companies to get themselves rated, revised systematic significance, compliance with regulated and revised prudential norms on Asset-NPA classification and revised corporate governance and disclosure.

OCCL faced a challenging year, due to which the company made a loss during the period. In the year ending 31st March, 2017, company's revenue declined to Rs 24.29 lacs with a Negative EPS of Rs 0.15.

Outlook

The improvement in credit demand in the later part of FY 2016-17 has shown positive growth in NBFC sector. The company would remain focus on capitalizing the opportunities in the market with intend to improve ROE. OCCL remain confident of the long term growth prospects & opportunities ahead of it in its business and chosen customer segments.

OCCL believes that it is uniquely positioned with the NBFC industry to capitalize on the opportunities provided and shall continue to seek growth in its target segment. The management feels that its blend of business model, infrastructure, technology, management bandwidth and field force, would lead to a sustainable high growth trajectory in future years to come. The materialization of structural reforms such as implementation of GST from July 2017, the institution of the Insolvency and Bankruptcy Code, and the abolition of the foreign Investment Promotion Board would boost investor confidence and enhance efficiency. Also the increase in IPOs in the primary capital market augurs well for investment and growth.

Cautionary statement

Statements in this report on management discussion and analysis, describing the Company's objectives, estimates, expectations or predictions are all 'forward-looking statements' within the meaning of the applicable securities, laws and regulations. These statements are based on certain assumptions and expectations regarding future events. The Company assumes no responsibility whatsoever to publicly amend, modify or revise any 'forward-looking statements' on the basis of any subsequent information, developments and events.

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**DIRECTOR'S REPORT**

To The Members Of,

OCTAL CREDIT CAPITAL LIMITED

Your Director have pleasure in presenting the 25th Annual Report of the Company together with Audited Statements of Accounts for the year ended 31st March 2017.

STANDALONE & CONSOLIDATED FINANCIAL STATEMENT :

(₹ in Lacs)

Particulars	STANDALONE		CONSOLIDATED	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from Operation	24.29	35.19	24.29	35.19
Other Income	1.13	3.43	1.13	3.43
Total Income	25.42	38.62	25.42	38.62
Total Expenses	32.87	21.69	32.87	21.69
Exceptional Item	—	12.81	—	12.81
Profit/(Loss) Before Tax	(7.45)	8.88	(7.45)	8.88
Provision for Taxation	—	—	—	—
Deferred Tax Asset/(Liability)	(0.08)	(0.05)	(0.08)	(0.05)
MAT Credit Entitlement	—	—	—	—
Profit/(Loss) After Tax	(7.53)	8.93	(7.53)	8.93
Add: Share of Profit in Associates	—	—	2.56	1.50
Profit/(Loss) For the Period	(7.53)	8.93	(4.97)	10.42

CHANGE IN NATURE OF BUSINESS:

There has been no change in nature of business of the company during the F.Y. 2016-2017.

MATERIAL CHANGES AND COMMITMENTS:

There has been no material changes and commitments, affecting the Financial Position of the Company, which have occurred between the End of Financial Year of the Company to which the Financial Statements relate and the date of the report.

DIVIDEND:

Due to losses incurred during the year under review The Board has decided not to recommend any dividend for the year ended 31st March 2017.

TRANSFER TO RESERVE:

Due to Losses no transfer to statutory reserve under section 45 IC of RBI Act 1934 was made for the year ended 31.03.2017.

CHANGES IN SHARE CAPITAL:

The paid up Equity Share Capital as on 31st March, 2017 stood at ₹ 5,00,09,000/-. During the year under review, the Company has not issued any shares with differential voting rights, sweat equity shares nor granted any stock options. The company neither came out with rights, bonus, private placement and preferential issue.

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OPERATIONS & FUTURE OUTLOOK:

The materialization of structural reforms such as implementation of GST from July 2017, the institution of the Insolvency and Bankruptcy Code, and the abolition of the foreign Investment Promotion Board would boost investor confidence and enhance efficiency. Also the increase in IPOs in the primary capital market augurs well for investment and growth. The effect of change in companies' law has in a way made a complete change in law & working of the companies in the whole economy. The companies are now working for the stakeholder benefits, as they now believe to strive at a certain place, we need to make it better place to survive. The regulatory framework has also undergone change. The revised RBI regulations for NBFCs have been formed with the purpose of strengthening the financial system and to bring the norms in line with those of banks. According to RBI one of the main reasons for tighter regulation is to reduce the systematic risk they pose to the financial system since they borrow heavily from banks. Prima facie it may appear that these reforms will affect the productivity of the NBFCs; however, with time they are more likely to improve NBFCs capacity to endure asset quality shocks and also deal with systemic risks. Moreover, increase in disclosure requirements and corporate governance norms will have a three-fold effect. It will enhance transparency and increase the responsibility of the management and further supplement investor awareness.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and some are reviewed by the committee. The observation and comments of the Audit Committee are placed before the board.

DIRECTORS & KEY MANAGERIAL PERSON :

Key Managerial Personnel

- Mr. Arihant Patni – Whole Time Director
 Mr. Shyam Arora – Chief Financial Officer
 Mrs. Payal Bhutoria – Company Secretary

Non-Executive, Non Independent Directors

- Mr. Dilip Kumar Patni
 Mr. Kamal Nayan Jain
 Mrs. Vandana Patni

Non-Executive, Independent Directors

- Mr. Sambhu Nath Jajodia
 Mr. Bijay Bagri

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**Appointment and Resignation:**

In accordance with the provisions of the section 152 of Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Dilip Kumar Patni (Non-Executive, Non Independent Directors) (DIN 01069986) who retires by rotation and, being eligible, offers himself for reappointment at the ensuing Annual General Meeting of the company.

A brief resume of the Directors proposed to be re-appointed along with additional information is provided in the notice of Annual General Meeting.

MEETINGS OF THE BOARD:

The company has duly complied with section 173 of the Companies' Act 2013. During the year under review, 6 (Six) board meetings were convened and held. The date on which meeting were held are as follows :

04.04.2016, 30.05.2016, 12.08.2016, 14.11.2016, 13.02.2017 & 30.03.2017

The maximum interval between any two meetings did not exceed 120 days.

FORMAL ANNUAL EVALUATION & INDEPENDENT DIRECTORS MEETING:

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors on the basis of the various parameters.

Separate exercise was carried out to evaluate the performance of Whole Time Director on basis of the parameters such as contribution, independent judgment, effective leadership to the Board, safeguarding of minority shareholders interest etc. Based on set parameters, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Independent Directors was carried out and evaluated to be satisfactory.

During the year under review, the Independent Directors of your Company carried out the performance evaluation of Non- Independent Directors and Chairperson at a separate meeting of Independent Director held on 29.09.2016. The Directors were satisfied with the Evaluation Results.

MANAGERIAL REMUNERATION:

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure I**. and forms a part of the Board Report. Further, none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 so statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be included.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

Your Company has no Subsidiary Company. Details of Associate Companies during the year under review is annexed as **Annexure II** (i.e. in Form AOC – I) and forms part of the Board Report.

AUDITORS & AUDITORS REPORT:

STATUTORY AUDITOR : M/s. Jain Binod & Associates, Chartered Accountants were appointed as statutory auditor of the company for a period of 1 year at the Annual General Meeting of the Company held on 28th September 2016 until the conclusion of the 25th Annual General meeting. In terms of Section 139 of the

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Companies Act, 2013, M/s. Jain Binod & Associates, Chartered Accountants will retire as Company's Auditors at the conclusion of the ensuing 25th Annual General Meeting. It is proposed to appoint M/s VASUDEO & ASSOCIATES, Chartered Accountants (Firm Reg. No. 319299E), as the new Statutory Auditors of the Company for a period of 5 continuous years i.e. from the conclusion of 25th Annual General Meeting to be held in the year 2017 till the conclusion of 30th Annual General Meeting of the Company to be held in the year 2022. M/s. VASUDEO & ASSOCIATES, have informed the Company that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013 and have confirmed that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold valid certificates issued by the Peer Review Board of the ICAI. M/s. VASUDEO & ASSOCIATES have also furnished a declaration in terms of Section 141 that they are eligible to be appointed as auditors and that they have not incurred any disqualification under the Company Act 2013. A brief profile of the Auditors is provided in the Notice of the Annual General Meeting. The Board recommends appointment of M/s. VASUDEO & ASSOCIATES as Statutory Auditors of the Company from the conclusion of 25th Annual General Meeting up to the conclusion of 30th Annual General Meeting of the Company, subject to ratification at every Annual General Meeting.

SECRETARIAL AUDITOR: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Babu Lal Patni, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure III**.

INTERNAL AUDITOR: Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed M/s. Amresh Jain & Co., to undertake the Internal Audit of the Company for 2 years i.e for the F.Y. 2016-2017 & 2017-18. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March 2017.

AUDITOR REPORTS There are no qualifications, reservation or adverse remarks made by M/s. Jain Binod & Associates, the statutory Auditor, in their report.

Regarding Observation given by Mr. Babu Lal Patni, in their Secretarial Audit Report we are to state that

- i) As regards to Observation No. 1 – We hereby state that the Company Secretary was outside the Country at the time of finalization of Annual Accounts and the same was mentioned in our Annual Report 2015-16 at Page No 9.
- ii) As regards to Observation No. 2 – We hereby state that though the Company has duly filed Form MGT-14 for the Board Meeting held on 29.05.2016, but due to oversight, resolution on approval of Directors Report was escaped to be mentioned in the said Form.

The statutory Auditor have not reported any incident of fraud to the Audit committee of the company in the year under review.

COMMITTEES:**i) AUDIT COMMITTEE:**

The Audit Committee of the Board of Directors oversees the Financial Statements and Financial Reporting before submission to the Board. The Audit Committee is responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the Internal and Statutory Auditors. It reviews the Reports of the Internal Auditors and Statutory Auditors. The Senior Management Personnel are invited to the meetings of the Audit Committee, along with the Head of Internal Audit. At present, there are three Members of the Audit Committee.

OCTAL CREDIT CAPITAL LIMITED

CIN : L74140WB1992PLC055931

REGISTERED OFFICE : 16A, SHAKESPEARE SARANI, UNIT-II, 2ND FLOOR, KOLKATA – 700 071

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The composition of the Audit Committee is given below:

S.No.	Name of Member	Category
1	Mr. Sambhu Nath Jajodia	Chairman – Independent, Non Executive
2	Mr. Bijay Bagri	Independent , Non Executive
3	Mr. Dilip Kumar Patni	Non Independent, Non - Executive

ii) NOMINATION AND REMUNERATION COMMITTEE:

The committee's constitution and terms of reference are in compliance with provisions of section 178 of Companies Act 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The functions of this Committee include identification of persons who are qualified to become Directors and who may be appointed as Senior Management, formulation of criteria for determining qualifications, positive attributes, independence, recommendations of their appointments to the Board, evaluation of every Director's performance, formulation of Remuneration Policy to include recommendation of remuneration for Directors, Key Managerial Personnel and Senior Management.

At present, there are Three Members of the Nomination and Remuneration Committee, in which Two are Independent Directors.

The composition of the Nomination And Remuneration Committee is given below:

S.No.	Name of Member	Category
1	Mr. Sambhu Nath Jajodia	Chairman – Independent, Non Executive
2	Mr. Bijay Bagri	Independent, Non Executive
3	Mr. Dilip Kumar Patni	Non-Independent, Non Executive

iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is responsible to Consider & Resolve the Grievances of Security holders including complaints related to transfer of shares, non receipt of balance sheet, non receipt of declared dividends, Transfer & transmission of shares, Issue of duplicate shares, Exchange of new design share certificates, Recording dematerialization & rematerialization of shares & related matters.

The composition of the Stakeholders Relationship Committee is given below:

S.No.	Name of Member	Category
1	Mr. Dilip Kumar Patni	Chairman – Non Independent
2	Mr. Kamal Nayan Jain	Non Independent
3	Mrs. Vandana Patni	Non Independent

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

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The company has adopted a Whistle Blower policy to establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or ethics policy. The said policy is hosted on the website of the company (www.occl.co.in)

RISK MANAGEMENT POLICY:

Pursuant to section 134(n) of Companies Act 2013 and revised clause 49 of Listing Agreement, your company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a company level. The said policy is hosted on the website of the company (www.occl.co.in)

CORPORATE SOCIAL RESPONSIBILITY:

The Company had not taken any initiatives on the activities of Corporate Social Responsibilities as the provisions relating to the same are not applicable to the Company.

EXTRACT OF ANNUAL RETURN:

Companies Act, 2013 makes mandatory for every company to prepare an extract in the format prescribed MGT 9. The details forming part of the extract of Annual Return as on 31st March 2017 is annexed herewith as **Annexure IV**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

Your Company being the Non Banking Financial Company having the principal business of providing loans, is exempted from the provisions of Section 186 of the Companies Act, 2013 to the extent of providing loans, giving guarantee and providing security in connection with loan. However, the details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in notes to the financial statement.

DEPOSITS:

Your company is non deposit taking NBFC registered with RBI, thus the said clause is not applicable and the company does not accept any deposit. The Board of Directors has duly passed a resolution in their meeting giving effect to the aforesaid statement.

CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/transactions with related parties entered by the company during the financial year were on an arm's length basis and were in the ordinary course of business and the provisions of section 188 of the Companies Act 2013 are not attracted and thus disclosure about details of contracts or arrangements or transactions with related parties referred to in section 188(1) in Form AOC-2 is not required. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which could have a potential conflict with the interest of the Company at large. All Related Party Transactions are periodically placed before the Audit Committee as also the Board for approval. During the year under review the company has not taken any

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omnibus approval from Audit committee. A Related Party policy has been devised by the board of Directors for determining the materiality of transactions with related parties and dealing with them. Further your directors draw your kind attention of the members to note no 2.28 to the financial statements which sets out related party transactions.

CORPORATE GOVERNANCE REPORT:

As per Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance provisions specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of (a) a listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As our company falls under above mentioned exception hence compliance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to us. Therefore Corporate Governance Report for the year ended 31.03.2017 is not prepared.

DISCLOSURES ON POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT :

The Company believes that it is the responsibility of the organisation to provide an environment to its employee which is free of discrimination, intimidation and abuse and also to protect the integrity and dignity of its employees and also to avoid conflicts and disruptions in the work environment. Further there stood no cases filed during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption and foreign exchanges earning and outgo, as prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

DIRECTORS RESPONSIBILITY STATEMENT :

Your Directors to the best of their knowledge and belief and according to the information and explanation obtained by them, make the following statement in terms of clause (c) of sub-section (3) of section 134 of Companies Act 2013 that — OCTAL CREDIT CAPITAL LIMITED Annual Report 2016-2017

- a) In the preparation of the annual accounts for the Financial year ended on 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2017 and of the Losses of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thank the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

On Behalf of the Board of Directors

Place: Kolkata
Date : May 30,2017

D. K. Patni
Chairman

OCTAL CREDIT CAPITAL LIMITED

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**Declaration for Compliance of Code of Conduct**

To
The Members of
Octal Credit Capital Limited

I hereby declare that the Company has obtained affirmation from all the members of Board of Directors and Senior Management Personnel of the Company that they have complied with the 'Code of Conduct of the Company for Board of Directors and Senior Management Personnel' in respect of Financial Year 2016-2017.

Place : Kolkata
Date : The 30th Day of May, 2017

Arihant Patni
Whole Time Director
DIN:07210950



Annexure I to the Boards Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Name of the Directors / KMPs	Designation	Remuneration of Director/KMP for financial year 2016-17 (in ₹)	% increase in Remuneration in the Financial Year 2016-17 compared to 2015-2016	Ratio of remuneration of each Director to median ** remuneration of employees (in times)	Comparison of the Remuneration of the KMP against the performance of the Company
Mr. Arihant Patni	Whole Time Director	2,40,000/-	New Appointment	1.62	#
Mrs. Payal Bhutoria	Company Secretary	1,20,000/-	—	Not Applicable	
Mr. Shyam Arora	Chief Financial Officer	1,56,500/-	9.26%	Not Applicable	

** Calculation of median is taken on the figures as at the end of Financial Year.

Negative EBITDA, hence NA.

- (ii) The Median Remuneration of Employees as on March 31, 2017 was Rs. 1,48,625. The percentage increase in the median remuneration of employees was 22.50 during the financial year.
- (iii) There were 4 (Four) permanent employees (including Whole Time Director, CFO & Company Secretary) on the rolls of Company as on March 31, 2017;
- (iv) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of Key Managerial Personnel increased by 13.63%.
- (v) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2017 was Rs 6.25 crore (Rs. 11.80 crore as on 31.03.2016).

Price Earnings ratio of the Company : NA as EPS is Negative as at March 31, 2017 (131.11 as at March 31, 2016) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The company came out with IPO in the year 1996 at the face value and the price of the shares

OCTAL CREDIT CAPITAL LIMITED

as on 31st March 2017 stands to Rs 12.50/- . Further the Company had not come out with any public offerings during the financial year March 31, 2017.

- (vi)** Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 8 % whereas the average percentage increase made in the salaries of KMP was 13.63%. Further there was no exceptional increase in the salary during the Financial Year ended 31.03.2017 as compared above.
- (vii)** Key parameters for any variable component of remuneration availed by the directors : Not Applicable
- (viii)** Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : Not Applicable.
- (ix)** It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.





Annexure II to the Boards Report

Form AOC- I

(Pursuant to first proviso to sub-section (3) of section 129
read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

Part A: Subsidiaries

Your Company has no Subsidiary Company during the year under review.

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies & Joint Ventures :

Name of Associates	New View	Nirmalkunj Projects
	Consultants Private Limited	Private Limited
	Limited	
1. Latest Audited Balance Sheet Date	As at 31 st March 2017	As at 31 st March 2017
2. Shares of Associate held by the company as on 31.03.2016	5,58,000	1,70,000
Amount Of Investment in Associates	11,16,000.00	17,00,000.00
Extend of Holding %	22.74%	26.98%
3. Description of how there is significant influence	Shareholding	Shareholding
4. Reason why the Associate is not consolidated	Consolidated	Consolidated
5. Net worth attributable to Shareholding as per latest audited Balance sheet	₹ 4.77 Crore	0.17 Crore
6. Profit/Loss for the year		
i. Considered in Consolidation	2,29,061/-	26,714/-
ii. Not Considered in Consolidation.	—	—

Note : i) Your Company has no Joint Venture(s) during the year under review.

OCTAL CREDIT CAPITAL LIMITED

Annexure – 'III' to the Board Report

FORM No MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Octal Credit Capital Limited
16A, Shakespeare Sarani, Unit II, 2nd Floor
Kolkata-700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Octal Credit Capital Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Octal Credit Capital Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Octal Credit Capital Limited ("the company") for the financial year ended on 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period).
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(Not applicable to the Company during the Audit Period).
 - d) The Securities and Exchange Board of India (Share Based Employee Regulations, 2014) (Not applicable to the Company during the Audit Period).
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period).



- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period).
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during the Audit Period).
- vi) Reserve Bank of India Act 1934 and various directions issued by Reserve Bank of India, so far as applicable to Non-Banking Financial Companies.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with CSE and BSE.
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the followings:

1. The Financial Statements for the year ended 31st March, 2016 has not been duly authenticated as required under section 134(1) of the Act.

2. Form MGT-14 in respect of approval of Board's Report as on 30.05.2016 has not been filed.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit period that there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc referred to above.

Place: Kolkata

Signature:

Dated: 26th May, 2017

**Name of the Company: BABU LAL PATNI
Secretary in Practice**

FCS No : 2304

C.P.No : 1321

Note:

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**'Annexure A'**

To,
The Members,
Octal Credit Capital Limited
16A, Shakespeare Sarani, Unit II, 2nd Floor
Kolkata-700071

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to be express on opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature

Babu Lal Patni
Practising Company Secretary
FCS No- 2304
Certificate of Practice Number-1321

Date: 26th May, 2017

Place: Kolkata



Annexure - IV to the Boards Report

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L74140WB1992PLC055931
2	Registration Date	July 13, 1992
3	Name of the Company	Octal Credit Capital Limited
4	Category/Sub-category of the Company	Public Company - Limited by Shares
5	Address of the Registered office & contact details	16A, Shakespeare Sarani, Unit-II, 2nd Floor, Kolkata-700 071, Tel : 91 33 2282 6899/6818/6815 Fax : 91 33 2231 4193, email : octalcredit1992@gmail.com website : www.occl.co.in
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited D-511, Bagree Market, 71, B.R.B.B. Road, 5th Floor, Kolkata, West Bengal 700 001, Phone : 033-2235 7270 / 2235 7271

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Shares & Securities	6499	—
2	Lending Activity	6492	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nirmalkunj Projects Private Limited	U45400WB2013PTC194568	Associate	26.98%	2(6)
2	New View Consultants Private Limited	U74140WB1992PTC056948	Associate	22.74%	2(6)

OCTAL CREDIT CAPITAL LIMITED



i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	562738	217335	7,80,073	15.60%	197988	194135	3,92,123	7.84%	-7.76%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	560400	124600	6,85,000	13.70%	652700	147500	8,00,200	16.00%	2.30%
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	10	-	10	0.00%	112	-	112	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	23,73,665	9,62,635	33,36,300	66.71%	23,73,965	9,62,335	33,36,300	66.71%	0.00%
Total Public (B)	23,73,665	13,00,135	36,73,800	73.46%	23,73,965	12,99,835	36,73,800	73.46%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	30,45,765	19,55,135	50,00,900	100.00%	32,91,065	17,09,835	50,00,900	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	AMRAW DEVI JAIN	30000	0.600	0.000	30000	0.600	0.000	0.000
2	ARUNA PATNI	20000	0.400	0.000	20000	0.400	0.000	0.000
3	ASHIKA FINANCIAL SERVICES PVT. LTD.	70000	1.400	0.000				-1.400
4	BABULAL SARAOGI	10000	0.200	0.000	10000	0.200	0.000	0.000
5	BASANT JAIN	5000	0.100	0.000	5000	0.100	0.000	0.000
6	BIMAL KUMAR PATNI	10000	0.200	0.000	10000	0.200	0.000	0.000

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7	BIMALA DEVI JAIN	10000	0.200	0.000	10000	0.200	0.000	0.000
8	BINOD KUMAR SINGHANIA	5000	0.100	0.000	5000	0.100	0.000	0.000
9	CHHAGNI DEVI PATNI	10000	0.200	0.000	60000	1.200	0.000	1.000
10	DEE DEE VANIJYA PVT. LTD.	50000	1.000	0.000				-1.000
11	DHANRAJ PATNI	10000	0.200	0.000	10000	0.200	0.000	0.000
12	DILIP KUMAR PATNI	16000	0.320	0.000	16000	0.320	0.000	0.000
13	G. G. RESOURCES PVT. LTD.	10000	0.200	0.000	10000	0.200	0.000	0.000
14	HANUMAN EXPORTS & RESOURCES PVT. LTD.	20000	0.400	0.000				-0.400
15	KAMAL NAYAN JAIN	11000	0.220	0.000	11000	0.220	0.000	0.000
16	KIRAN DEVI JAIN	20000	0.400	0.000	20000	0.400	0.000	0.000
17	MAHENDRA KUMAR PATNI	35300	0.706	0.000	35300	0.706	0.000	0.000
18	MARSHALL COMMODITIES PVT. LTD.	20000	0.400	0.000	-	-	-	-0.400
19	MEENA DEVI JAIN	10000	0.200	0.000	10000	0.200	0.000	0.000
20	NAVILAN SALES PROMOTION PVT. LTD.	50000	1.000	0.000	-	-	-	-1.000
21	NEELAM JAIN	10000	0.200	0.000	10000	0.200	0.000	0.000
22	NISHA JAIN	5000	0.100	0.000	5000	0.100	0.000	0.000

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23	OCTAL SECURITIES & SERVICES PVT. LTD.	-	-	0.000	90000	1.800	0.000	1.800
24	PATNI RESOURCES PVT. LTD.	754800	15.093	0.000	824800	16.493	0.000	1.400
25	PRADEEP BARJATYA	5000	0.100	0.000	5000	0.100	0.000	0.000
26	PRAMOD KUMAR KOTHARI	50000	1.000	0.000	50000	1.000	0.000	0.000
27	SANDEEP JAIN (PATNI)	10000	0.200	0.000	10000	0.200	0.000	0.000
28	SHANTI KUMAR PATNI	10000	0.200	0.000	10000	0.200	0.000	0.000
29	SHREE CHAND SARAOGI	40000	0.800	0.000	40000	0.800	0.000	0.000
30	SUNITA DEVI PATNI	10000	0.200	0.000	10000	0.200	0.000	0.000
31	VIJAY KUMAR PATNI	10000	0.200	0.000	10000	0.200	0.000	0.000
		13,27,100	26.54	-	13,27,100	26.54	-	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Dilip Kumar Patni				
	At the beginning of the year	16,000	0.32%	16,000	0.32%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year	16,000	0.32%	16,000	0.32%
2	Kamal Nayan Jain				
	At the beginning of the year	11,000	0.22%	11,000	0.22%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year	11,000	0.22%	11,000	0.22%
3	Shambhu Nath Jajodia				
	At the beginning of the year	100	0.00%	100	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year	100	0.00%	100	0.00%



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.				
				(Amt. Rs./Lacs)
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	Nil	3.18	Nil	Nil
* Reduction				
Net Change	-	3.18	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	3.18	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	3.18	-	-


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Arihant Patni	(Rs.)
	Designation	Whole time Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,40,000.00	2,40,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	2,40,000.00	2,40,000.00
	Ceiling as per the Act	As per section 197 & 198 read with Schedule V, we have complied with the ceiling limits prescribed under Companies Act, 2013.	

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs.)
1	Independent Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	-
	Commission	Nil	Nil	Nil	-
	Others, please specify	Nil	Nil	Nil	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	Nil	Nil	Nil	-
	Commission	Nil	Nil	Nil	-
	Others, please specify	Nil	Nil	Nil	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs.)
		Name	Shyam Arora	Payal Bhutoria	
	Designation	CFO	CS		
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,56,500.00	1,20,000.00		2,76,500.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-		-
2	Stock Option	-	-		-
3	Sweat Equity	-	-		-
4	Commission - as % of profit - others, specify	-	-		-
5	Others, please specify	-	-		-
	Total	1,56,500.00	1,20,000.00		2,76,500.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					



(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	AMRAW DEVI JAIN				
	a) At the Beginning of the Year	30000	0.600		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			30000	0.600
2	ARUNA PATNI				
	a) At the Beginning of the Year	20000	0.400		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			20000	0.400
3	ASHIKA FINANCIAL SERVICES PVT. LTD.				
	a) At the Beginning of the Year	70000	1.400		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	31/03/2017 Transfer	-70000	1.400	0	0.000
	c) At the End of the Year			0	0.000
4	BABULAL SARAOGI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
5	BASANT JAIN				
	a) At the Beginning of the Year	5000	0.100		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5000	0.100
6	BIMAL KUMAR PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
7	BIMALA DEVI JAIN				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
8	BINOD KUMAR SINGHANIA				
	a) At the Beginning of the Year	5000	0.100		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5000	0.100
9	CHHAGNI DEVI PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	31/03/2017 Transfer	50000	1.000	60000	1.200
	c) At the End of the Year			60000	1.200



SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
10	DEE DEE VANIJYA PVT. LTD.				
	a) At the Beginning of the Year	50000	1.000		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	-50000	1.000	0	0.000
	c) At the End of the Year			0	0.000
11	DHANRAJ PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			10000	0.200
12	DILIP KUMAR PATNI				
	a) At the Beginning of the Year	16000	0.320		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			16000	0.320
13	G. G. RESOURCES PVT. LTD.				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			10000	0.200
14	HANUMAN EXPORTS & RESOURCES PVT. LTD.				
	a) At the Beginning of the Year	20000	0.400		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	-20000	0.400	0	0.000
	c) At the End of the Year			0	0.000
15	KAMAL NAYAN JAIN				
	a) At the Beginning of the Year	11000	0.220		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			11000	0.220
16	KIRAN DEVI JAIN				
	a) At the Beginning of the Year	20000	0.400		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			20000	0.400
17	MAHENDRA KUMAR PATNI				
	a) At the Beginning of the Year	35300	0.706		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			35300	0.706
18	MARSHALL COMMODITIES PVT. LTD.				
	a) At the Beginning of the Year	20000	0.400		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	-20000	0.400	0	0.000
	c) At the End of the Year			0	0.000

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SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
19	MEENA DEVI JAIN				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
20	NAVILAN SALES PROMOTION PVT. LTD.				
	a) At the Beginning of the Year	50000	1.000		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	-50000	1.000	0	0.000
	c) At the End of the Year			0	0.000
21	NEELAM JAIN				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
22	NISHA JAIN				
	a) At the Beginning of the Year	5000	0.100		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5000	0.100
23	OCTAL SECURITIES & SERVICES PVT. LTD.				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	90000	1.800	90000	1.800
	c) At the End of the Year			90000	1.800
24	PATNI RESOURCES PVT. LTD.				
	a) At the Beginning of the Year	754800	15.093		
	b) Changes during the year				
	Date Reason				
	31/03/2017 Transfer	70000	1.400	824800	16.493
	c) At the End of the Year			824800	16.493
25	PRADEEP BARJATYA				
	a) At the Beginning of the Year	5000	0.100		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5000	0.100
26	PRAMOD KUMAR KOTHARI				
	a) At the Beginning of the Year	50000	1.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	1.000
27	SANDEEP JAIN (PATNI)				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200

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SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
28	SHANTI KUMAR PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
29	SHREE CHAND SARAOGI				
	a) At the Beginning of the Year	40000	0.800		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			40000	0.800
30	SUNITA DEVI PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
31	VIJAY KUMAR PATNI				
	a) At the Beginning of the Year	10000	0.200		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.200
	T O T A L	1327100	26.537	1327100	26.537

**(iv) Shareholding Pattern of top ten Shareholders***(Other than Directors, Promoters and Holders of GDRs and ADRs) :*

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	AJAY KUMAR				
	a) At the Beginning of the Year	135900	2.718		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	-135900	2.718	0	0.000
	c) At the End of the Year			0	0.000
2	DARKIN VINCOM PRIVATE LIMITED				
	a) At the Beginning of the Year	203850	4.076		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			203850	4.076
3	GEMUS AGENTS PRIVATE LIMITED				
	a) At the Beginning of the Year	134350	2.687		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			134350	2.687
4	KUSUM INDUSTRIAL GASES LTD				
	a) At the Beginning of the Year	100000	2.000		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			100000	2.000
5	NEW VIEW CONSULTANTS PRIVATE LIMITED				
	a) At the Beginning of the Year	92850	1.857		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	136500	2.730	229350	4.586
	c) At the End of the Year			229350	4.586
6	ORIENTAL BANK OF COMMERCE				
	a) At the Beginning of the Year	337500	6.749		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			337500	6.749
7	POORVA TREXIM PVT. LTD.				
	a) At the Beginning of the Year	100000	2.000		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			100000	2.000
8	R.R.SYNTHETICS AND FINVEST PRIVATE LIMIT				
	a) At the Beginning of the Year	109100	2.182		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	135900	2.718	245000	4.899
	c) At the End of the Year			245000	4.899

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9	RADICO KHAITAN FINANCE LIMITED				
	a) At the Beginning of the Year	174300	3.485		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			174300	3.485
10	RASHI				
	a) At the Beginning of the Year	136500	2.730		
	b) Changes during the year				
	Date Reason				
	01/07/2016 Transfer	-136500	2.730	0	0.000
	c) At the End of the Year			0	0.000
11	VARDHAMAN TEXTILE CO. PVT. LTD.				
	a) At the Beginning of the Year	159800	3.195		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			159800	3.195
12	VIVEKSHIL DEALERS PVT. LTD.				
	a) At the Beginning of the Year	162330	3.246		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			162330	3.246
	T O T A L	1846480	36.923	1846480	36.923



Independent Auditor's Report

To

The Members of

OCTAL CREDIT CAPITAL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **OCTAL CREDIT CAPITAL LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;

and



(b) in the case of Statement of Profit and Loss, of the Loss for the year ended on that date.

and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - 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 has disclosed the impact of pending litigations on its financial position in its financial statement – Note No. 2.30 to the Financial Statements.
 - ii. The Company does 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.
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealing in Specified Bank Notes (SBN's) during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2.32 to the notes to the financial statements.

Place : 1, R. N. Mukherjee Road, Kolkata – 700 001

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

Chartered Accountants

Date: The 30th Day of May, 2017

Binod Kumar Jain

(Proprietor)

Membership No. 055398

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

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2017:

- 1) (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 in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanation received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the company is not applicable.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) As explained to us, no material discrepancies have been noticed on physical verification of inventories as compared to the book records.
- 3) The company has not granted any loans or advances in the nature of loans to parties covered in the registered maintained under section 189 of the Companies Act, 2013. Hence, the question of reporting whether the terms and conditions of loans are prejudicial to the interests of the company, whether reasonable steps for recovery of overdues of such loans are taken does not arise.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.



- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to records of the company, the company has not borrowed from financial institutions or banks or government issued debentures till 31st March 2017. Hence in our opinion, the questions of reporting on defaults in repayment of loans or borrowing to a financial institutions bank, government or dues to debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) 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.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

OCTAL CREDIT CAPITAL LIMITED

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The Company is a Non Banking Financial Company and is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly have obtained the required registration certificate from the Reserve Bank of India.

Place : 1, R. N. Mukherjee Road, Kolkata – 700 001

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

Chartered Accountants

Date: The 30th Day of May, 2017

Binod Kumar Jain (Proprietor)

Membership No. 055398



“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of OCTAL CREDIT CAPITAL LIMITED

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 **OCTAL CREDIT CAPITAL LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally



accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : 1, R. N. Mukherjee Road, Kolkata – 700 001

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

Chartered Accountants

Date: The 30th Day of May, 2017

Binod Kumar Jain(Proprietor)

Membership No. 055398

OCTAL CREDIT CAPITAL LIMITED



Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	50,009,000.00	50,009,000.00
Reserves and Surplus	2.2	20,06,723.21	27,59,550.95
Non-Current Liabilities			
Long term Provisions	2.3	6,25,835.00	6,25,835.00
Current Liabilities			
Short Term Borrowings	2.4	3,17,743.00	–
Other Current Liabilities	2.5	64,759.00	2,02,947.00
Short Term Provisions	2.6	47,996.00	65,590.00
Total		5,30,72,056.21	53,662,922.95
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	2.7	1,84,632.00	1,73,703.00
Non-Current Investments	2.8	3,02,60,095.97	1,32,00,095.97
Deferred Tax Asset (Net)	2.9	30,880.00	38,533.00
Long Term Loans and Advances	2.10	2,70,915.00	2,70,725.00
Current Assets			
Inventories	2.11	4,74,062.10	4,72,331.60
Trade Receivables	2.12	5,00,450.00	5,00,450.00
Cash and Bank Balances	2.13	6,21,959.14	1,11,17,782.38
Short-term Loans and advances	2.14	2,07,29,062.00	2,78,89,302.00
Total		5,30,72,056.21	5,36,62,922.95
Significant Accounting Policies	1		
Notes on Financial Statements	2	–	–

Notes referred to above form an integral part of financial statements

As per attached report on even date

For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS

On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No - 055398

D.K.Patni
Director
DIN : 01069986

A.Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary

Place : Kolkata
Date : 30th May, 2017

OCTAL CREDIT CAPITAL LIMITED



Standalone Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
INCOME			
I. Revenue from Operations	2.15	24,29,354.00	35,19,354.00
II. Other Income	2.16	1,13,120.54	3,43,135.30
III. Total Revenue (I +II)		25,42,474.54	38,62,489.30
IV. EXPENDITURE			
Purchase of Stock-in-Trade	2.17	—	—
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.18	(1,730.50)	(23,657.00)
Employee Benefit Expense	2.19	6,15,200.00	4,41,240.00
Finance Cost	2.20	19,714.00	—
Depreciation and Amortization Expense	2.21	83,046.00	85,711.00
Other expenses	2.22	25,71,452.78	11,90,569.27
Total Expenses		32,87,682.28	16,93,863.27
V. Profit before exceptional and extraordinary items and tax (III-IV)		(7,45,207.74)	21,68,626.03
VI. Exceptional Items	2.23	—	12,80,756.00
VII. Profit before extraordinary items and tax (V - VI)	₹	(7,45,207.74)	8,87,870.03
VIII. Extraordinary Items		—	—
IX. Profit before tax (VII - VIII)		(7,45,207.74)	8,87,870.03
X. Tax Expense:	2.24		
1) Current tax		—	—
2) Deferred tax		7,653.00	(4,885.00)
3) MAT Credit Entitlement/Income Tax for earlier year		(33.00)	—
XI. Profit(Loss) for the period		(7,52,827.74)	8,92,755.03
XII. Earning per equity share:	2.25		
1) Basic (Equity Share Face Value ₹ 10/- each)		(0.15)	0.18
2) Diluted (Equity Share Face Value 10/- each)		(0.15)	0.18
Significant Accounting Policies	1		
Notes on Financial Statements	2		

Notes referred to above form an integral part of financial statements

As per attached report on even date

On behalf of the board

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

CHARTERED ACCOUNTANTS

Binod Kumar Jain

(Proprietor)

M.No- 055398

Place : Kolkata

Date : 30th May, 2017

D.K.Patni
Director
DIN : 01069986S.Arora
CFOA.Patni
Whole Time Director
DIN : 07210950P. Bhutoria
Company Secretary

OCTAL CREDIT CAPITAL LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2016-2017 ₹	2015-2016 ₹
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Adjustment before Tax & Extra Ordinary items	(7,45,207.74)	8,87,870.03
Add/Less Adjustment for:		
Depreciation	83,046.00	85,711.00
Dividend on Shares (Investment)	(2,244.50)	(2,244.50)
Provision for Non Performing Assets	–	(2,37,227.00)
Provision for Standard Asset No Longer Required Written Back	(17,594.00)	(1,176.00)
Operating Profit before Working Capital Changes	(6,82,000.24)	7,32,933.53
Add/Less:- Adjustment for:		
1. (Increase) / Decrease in Inventories	(1,730.50)	10,31,557.81
2. (Increase) / Decrease in Long Term Loans & Advances	(190.00)	7,90,756.00
3. (Increase) / Decrease in Short Term Loans & Advances	71,77,834.00	(5,23,322.00)
4. (Increase) / Decrease in Other Non Current Assets	–	–
5. (Increase) / Decrease in Other Current Assets	–	–
6. Increase / (Decrease) in Trade Payables	–	–
7. Increase / (Decrease) in Short Term Borrowing	3,17,743.00	–
8. Increase / (Decrease) in Current Liabilities & Provisions	(1,55,782.00)	1,11,005.80
Cash Generated from Operation	66,55,874.26	21,42,931.14
Direct Taxes Paid (Net of Refunds)	(33.00)	–
Net Cash used in Operating Activities	66,55,907.26	21,42,931.14
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,70,60,000.00)	(10,55,214.81)
Sale of Investments	(93,975.00)	–
Investment Written off	–	4,90,000.00
Dividend on Shares (Investment)	2,244.50	2,244.50
Net Cash used in Investment Activities	(1,71,51,730.50)	(5,62,970.31)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash used in Financing Activities	–	–
Net Increase in Cash & Cash Equivalents(A+B+C)	(1,04,95,823.24)	15,79,960.83
Cash and cash equivalents (Opening Balance)	1,11,17,782.38	95,37,821.55
Cash and cash equivalents (Closing Balance)	6,21,959.14	1,11,17,782.38
	–	–

This is the Cash Flow Statement referred to in our report of even date

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

CHARTERED ACCOUNTANTS

Binod Kumar Jain
(Proprietor)
M.No- 055398

Place : Kolkata
Date : 30th May, 2017

On behalf of the board

D.K.Patni
Director
DIN :01069986

S.Arora
CFO

A. Patni
Whole Time Director
DIN : 07210950

P. Bhutoria
Company Secretary



1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India, wherever applicable.

The financial statement has been prepared under the historical cost convention using accrual method of accounting

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting standards generally accepted in India requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the disclosures relating to Contingent Assets and Contingent liabilities as on the date of the financial statements and the reported amount of Revenues and Expenses during reporting period. Management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Actual results could differ from those estimates.

C. Fixed Assets

All Fixed Assets are stated at acquisition cost less accumulated depreciation.

D. Depreciation

Depreciation on Fixed Assets has been provided on straight-line method. Depreciation is provided on based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

E. Investments

Investments are long term in nature and are stated at cost of acquisition. In the opinion of the management, the decline in the market value of investment is temporary in nature; hence no provision for diminution in the value of investments has been made.

F. Inventories

Shares and Securities purchased for trading purpose are shown as Inventories under the head current assets and are valued at cost or market price whichever is lower.

G. Revenue Recognition

Sales

Income from Sale of Shares is recognised on the date of transaction.

Interest Income

Interest on Loan is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

H. Retirement Benefits

Payment of Gratuity Act is not applicable to the company as numbers of employees are less than the minimum required for applicability of Gratuity Act.

**I. Taxation**

Provision of Current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rate as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset/liabilities are reviewed as at Balance sheet date based on the developments during the year and reassess assets/liabilities in terms of Accounting Standard – 22 issued by ICAI.

J. Earning Per Share (EPS)

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 “Earnings per Share”.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

K. Provision, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the notes to financial statements.



Notes on Standalone Financial Statements for the Year ended 31st March, 2017

	2016-17 ₹	2015-16 ₹
2.1 SHARE CAPITAL		
Authorised Share Capital :		
55,00,000 Equity Shares of ₹ 10/- each	5,50,00,000.00	5,50,00,000.00
Issued, Subscribed and Paid-up:		
50,00,900 Equity Shares of ₹10/- each	5,00,09,000.00	5,00,09,000.00

2.1.1 Terms attached to Equity shares

The company has only one class of shares having par value of ₹10/- per share. Each holder of Equity shares is entitled to one vote per share.

2.1.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	No. of Shares	No. of Shares
At the beginning of the period	50,00,900	50,00,900
Add: Issued during the period	-	-
Outstanding at the end of reporting date	50,00,900	50,00,900

2.1.3 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Oriental Bank of Commerce	337500	6.75	337500	6.75
Patni Resources Private Limited	824800	16.49	754800	15.09

2.2 RESERVES & SURPLUS

a) Reserve Fund

Balance as per the last financial statements	16,06,592.06	14,28,041.06
Add: During the Year	-	1,78,551.00
Closing Balance	<u>16,06,592.06</u>	<u>16,06,592.06</u>

b) Surplus / (Deficit)

Opening Balance	11,52,958.89	4,38,754.86
Add: Profit for the Year	(7,52,827.74)	8,92,755.03
	<u>4,00,131.15</u>	<u>13,31,509.89</u>
Less: Transferred to Reserve Fund as per section 45(IC) of the RBI Act, 1934	-	<u>1,78,551.00</u>
Closing Balance	<u>4,00,131.15</u>	<u>11,52,958.89</u>
Total (a+ b)	<u>20,06,723.21</u>	<u>27,59,550.95</u>

2.3 LONG TERM PROVISIONS

Provision for NPA	6,25,835.00	6,25,835.00
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2.3.1 Loan given to Toorsa Tea Company (₹ 62,568/-) & to East India Transport Agency (₹ 62,817/-) has been considered as Doubtful. Hence 100% provision has been made.

2.3.2 Provision on Doubtful Debts of ₹ 5,00,450/- has been made @ 100%.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2.7

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.16	Addition	Disposal/ Deduction	As at 31.03.17	As at 01.04.16	For the Year	Adjustment for Disposal	As at 31.03.17	As at 31.03.16
	Office Equipment	1,83,064	63,000	-	2,46,064	1,10,329	39,898	-	95,837
Computer	2,63,402	30,975	-	2,94,377	2,11,538	36,197	-	46,642	51,864
Furniture & Fixtures	82,908	-	-	82,908	33,804	6,951	-	42,153	49,104
Total	5,29,374	93,975	-	6,23,349	3,55,671	83,046	-	1,84,632	1,73,703
Previous Year	5,29,374	-	-	5,29,374	2,69,960	85,711	-	1,73,703	-

On behalf of the board

D.K.Patni
Director
DIN : 01069986

A.Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary
Memb. No.

OCTAL CREDIT CAPITAL LIMITED

	2 016-17		2015-16	
	₹		₹	
In Others				
Octal Securities & Services (P) Ltd. (FV ₹10/-)	5,10,000.00	25,50,000.00	-	-
Patni Resources (P) Ltd. (FV 10/-)	4,30,000.00	21,50,000.00	-	-
Trans Scan Securities (P) Ltd. (FV 10/-)	13,61,250	57,81,000.00	13,61,250	57,81,000.00
Darkin Vincom (P) Ltd. (FV 10/-)	4,84,200	9,68,400.00	4,84,200	9,68,400.00
M.S. Finvests (P) Ltd. (FV 10/-)	1,08,000	3,33,000.00	1,08,000	3,33,000.00
SBS Construction (P) Ltd. (FV 10/-)	10,30,000.00	1,23,60,000.00	-	-
Varanasi Construction Limited (FV 10/-)	1,400	1,400.00	1,400	1,400.00
Niche Technologies Pvt Ltd (FV 10/-)	30,000	900,000.00	30,000	900,000.00
Total (b)	46,82,850.00	2,78,59,800.00	27,12,850	1,07,99,800.00
TOTAL (a + b)	53,30,608.00	3,02,60,095.97	3,360,608	13,200,095.97

(The Market Value of Quoted Investments as on 31.3.2017 is 99.47 Lacs and as on 31.3.2016 is 96.28 Lacs)

2.9 DEFERRED TAX ASSETS (Net)				
On Depreciation		30,880.00		38,533.00
2.10 LONG TERM LOANS AND ADVANCES				
(Unsecured , Considered Doubtful)				
Loan to Others (Refer Note No. 2.3.1 & 2.3.2)		1,25,385.00		1,25,385.00
(Unsecured , Considered Good)				
Security Deposits		45,530.00		45,340.00
Other Advances		1,00,000.00		1,00,000.00
		<u>2,70,915.00</u>		<u>2,70,725.00</u>

2.11 INVENTORIES

(Valued at cost or market price whichever is lower)

In Quoted Shares	Qty	Amount	Qty	Amount
Bala Techno Global Limited	2,000	380.00	2,000	660.00
Balmer Lawrie Investment Limited	300	-	300	-
Balmer Lawrie Vanleer Limited	300	4,500.00	300	4,500.00
Chemox Lab Limited	100	100.00	100	100.00
IM+ Capital Limited	400	6,680.00	400	6,680.00
Genus Power Infra. Limited	3,000	2,400.00	3,000	2,400.00
Genus Paper & Board Limited	3,000	-	3,000	-
Steel Exchange India Limited *	2	162.50	160	80.00
Hindustan Finance Management Limited	500	500.00	500	500.00
Marsons Limited	1,600	18,400.00	1,600	16,272
Marsons Limited (Bonus)	1,400	-	1,400	-
MFL India Limited	19,000	3,800.00	19,000	3,800.00
Precision Fastner Limited	500	500.00	500	500.00
The Scottish Assam (India) Limited	21,398	4,32,239.60	21,398	4,32,239.60
Skyline NEPC Limited	1,000	1,000.00	1,000	1,700.00
Spentex Industries Limited	1,000	3,400.00	1,000	2,900.00
	<u>55,500</u>	<u>4,74,062.10</u>	<u>55,658</u>	<u>4,72,331.60</u>

* Due to Restructuring and Amalgamation of Glod Star Steels & Alloys Limited with Steel Exchange India Limited.

OCTAL CREDIT CAPITAL LIMITED

	2 016-17	2015-16
	₹	₹
2.12 TRADE RECEIVABLES		
(Unsecured , Considered Doubtful)		
For more than six months (Refer Note No. 2.3.2)	5,00,450.00	5,00,450.00
	<u>5,00,450.00</u>	<u>5,00,450.00</u>
2.13 CASH AND BANK EQUIVALENTS		
Cash and Cash Equivalents		
Balance with Banks:		
On Current Account	3,37,520.84	19,57,323.08
Cheques in Hand	1,87,200.00	-
Cash in hand (As certified by the Management)	97,238.30	6,60,459.30
Other Bank Balances		
Fixed Deposit (with Original Maturity of Less than 12 months)	-	85,00,000.00
Total Cash & Bank Balances	<u>6,21,959.14</u>	<u>11,117,782.38</u>
2.14 SHORT TERM LOANS AND ADVANCES		
Loans		
To Others (Unsecured, Considered Good)	1,91,98,410.00	26,235,912.00
Advances (Unsecured, Considered Good)		
Accrued Interest on Fixed Deposits	-	2,56,843.00
Balances with Revenue Authorities (Net of provision of Rs. 28,613/- Prev. Year Rs. 1,51,106/-)	12,79,917.00	11,36,587.00
MAT Credit Entitlement	2,30,735.00	2,30,735.00
Prepaid Expenses	-	9,225.00
Staff Advances	20,000.00	20,000.00
	<u>2,07,29,062.00</u>	<u>2,78,89,302.00</u>

On behalf of the board

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary


Notes on Standalone Financial Statements for the Year ended 31st March, 2017

		2016-17	2015-16
		₹	₹
2.15	REVENUE FROM OPERATIONS		
	Interest		
	Interest on Loan (Tds ₹ 1,32,976/-, Prev. Year ₹ 2,50,597/-)	23,89,641.00	28,76,759.00
	Interest on FD (Tds ₹ 3,972/-, Prev. Year ₹ 64,260/-)	39,713.00	6,42,595.00
		<u>24,29,354.00</u>	<u>35,19,354.00</u>
2.16	OTHER INCOME		
a)	Interest Income		
	Interest on Income Tax Refund	10,110.00	31,512.00
	Interest on Security Deposit	2,579.04	1,831.80
b)	Dividend Income		
	Dividend on Stock in Trade	80,593.00	69,144.00
	Dividend on Non Current Investment	2,244.50	2,244.50
c)	Other Non-Operating Income		
	Provision for Standard Assets - Written back	17,594.00	1,176.00
	Provision for NPA now written Back	-	2,37,227.00
		<u>1,13,120.54</u>	<u>3,43,135.30</u>
2.17	PURCHASE OF STOCK IN TRADE		
	Shares & Securities	-	-
2.18	(INCREASE) / DECREASE IN THE INVENTORIES		
	Inventories at the beginning of the year	4,72,331.60	15,03,889.41
	Less : Transfer to Investment	-	10,55,214.81
		<u>4,72,331.60</u>	<u>4,48,674.60</u>
	Less : Inventories at the end of the year	<u>4,74,062.10</u>	<u>4,72,331.60</u>
		<u>(1,730.50)</u>	<u>(23,657.00)</u>
2.19	EMPLOYEE BENEFIT EXPENSES		
	Salary & Bonus	6,15,200.00	4,41,240.00
		<u>6,15,200.00</u>	<u>4,41,240.00</u>
	* Includes Director Remuneration ₹ 2,40,000/- (Prev. Year ₹ 60,000/-)		
2.20	FINANCE COST		
	Interest on Unsecured Loan	19,714.00	-
		<u>19,714.00</u>	<u>-</u>
2.21	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation	83,046.00	85,711.00
		<u>83,046.00</u>	<u>85,711.00</u>
2.22	OTHER EXPENSES		
a)	Rates and taxes, excluding, taxes on income	23,902.00	23,902.00
b)	Payment to Auditors		
	As Audit Fees	15,000.00	15,000.00



	2016-17 ₹	2015-16 ₹
c) Miscellaneous expenses	5,82,953.74	3,43,824.87
d) Rent	4,32,000.00	4,32,000.00
e) Repair & Maintenance	1,85,213.00	50,879.60
f) Professional Fees	55,237.00	32,185.00
g) Listing Fee (Stock Exchanges)	2,49,038.00	2,36,518.00
h) Business Promotion Expenses	9,68,750.00	-
i) Electricity Expenses	59,359.04	56,241.80
	<u>25,71,452.78</u>	<u>11,90,569.27</u>
2.23 TAX EXPENSE		
a) CURRENT TAX		
Provision for Income Tax	-	1,22,493.00
Less: MAT Credit Entitlement	-	1,22,493.00
	<u>-</u>	<u>-</u>
2.24 EXCEPTIONAL ITEMS		
Investment Written Off	-	4,90,000.00
Bad Debts	-	7,90,756.00
	<u>-</u>	<u>12,80,756.00</u>
2.25 EARNING PER SHARE (BASIC/DILUTED)		
Net Profit as per Profit & Loss Statement	(7,52,827.74)	8,92,755.03
Number of Equity Shares	50,00,900	50,00,900
Earning per Share (Basic/ Diluted)	(0.15)	0.18

On behalf of the board

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- 2.26 The Company has complied with the prudential norms as per NBFC's (Reserve Bank) Directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it. Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately
- 2.27 Provision of Current Tax is made with reference to taxable income computed for the accounting period for which the financial statement are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Asset/Liabilities are reviewed as at balance sheet date based on the development during the year and reassess realization/Liabilities in terms of AS-22 Issued by ICAI.

Components	Deferred Tax Asset as at 01.04.2016	Originated / (Reversed) During the year	Deferred Tax Asset as at 31.03.2017
Depreciation	38,533.00	(7,653.00)	30,880.00

2.28 Related Party Disclosure :

Related party disclosures as required by AS-18 – 'Related Party Disclosure' are given below:

Key Management Personnel (KMP) : Mr. Arihant Patni (Whole Time Director) & Mrs. Payal Bhutoria (Company Secretary) & Mr. Shyam Arora (CFO)

b) Transaction with Related Parties

(Amount in ₹)

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			16-17	15-16	31.03.2017	31.03.2016
Mr J.M.Saraogi (Resigned in 15-16)	KMP	Salary	—	60,000.00	—	—
Mrs. Payal Bhutoria	Company Secretary	Salary	1,20,000.00	1,20,000.00	—	39,640.00(Cr)
Mr. Shyam Arora	CFO	Salary	1,56,500.00	1,43,240.00	—	—
Mrs. Anjana Devi Jain	Relative of KMP	Rent	24,000.00	24,000.00	—	—
Mrs. Preeti Patni	Relative of KMP	Rent	24,000.00	24,000.00	—	24,000.00(Cr.)
Mrs. Sunita Devi Patni	Relative of KMP	Rent	24,000.00	24,000.00	—	—
New View Consultants Private Limited	Associate	Loan Given Loan Repaid Interest Rec Loan Taken Interest Paid	— — — 3,00,000.00 19,714.00	15,50,000.00 15,50,000.00 20,787.00 — —	— — — 3,17,743.00 (Cr.)	18,708 (Dr.)
Niche Technologies Private Limited	KMP having Significant Influence	Professional Fee	20,000.00	19,346.00	—	—
Trans Scan Securities (P) Ltd.	KMP having Significant Influence	Brokerage & Transaction Charges	853.87	—	—	—

- 2.29 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2017.

OCTAL CREDIT CAPITAL LIMITED

2.30 The Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2011-12 (Asst Year 2012-2013) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 8.40 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. Subsequently, the Company has paid 4.00 Lacs (under protest) to the Income Tax Department.

2.31 **Information about Primary Business Segment:**

(in Lacs)

Particulars	Current Year			Previous Year		
	Shares	Loan	Total	Shares	Loan	Total
A : REVENUE						
Total Revenue	—	24.29	24.29	—	35.19	35.19
B : RESULT						
Segment Result	0.02	24.09	24.11	0.24	35.19	35.43
Less: Unallocated Corporate Expenses net of unallocated income	—	—	31.56	—	—	26.55
Operating Profit	—	—	(7.45)	—	—	8.88
Tax Expenses	—	—	0.08	—	—	(0.05)
Net Profit	—		(7.53)	—	—	8.93
C : OTHER INFORMATION						
Segment Assets	312.35		505.57	141.72	263.61	405.33
Unallocated Corporate Assets			25.15			131.30
Total Assets			530.72			536.63
Segment Liabilities	5.00	4.91	9.91	5.00	1.91	6.91
Unallocated Corporate Liabilities			0.65			2.03
Total Liabilities			10.56			8.94
Depreciation			0.83			0.86
Non-cash Expenses other than depreciation			—			12.80

2.32 **Disclosure in accordance with MCA Notification dated 30th March, 2017 :**

Particulars	SBN's	Other denomination Notes	Total
Closing Cash in hand as on 08-11-2016	—	1,74,715.30	1,74,715.30
Add : Withdrawal from Bank Accounts	—	70,000.00	70,000.00
Add : Permitted Receipts	—	—	—
Less : Permitted Payments	—	9,034.00	9,034.00
Less : Amount deposited in Banks	—	—	—
Closing Cash in handas on 30-12-2016	—	2,35,681.30	2,35,681.30

OCTAL CREDIT CAPITAL LIMITED

2.33 Quantitative information for the year ended 31st March 2017

Particulars	Units	2016-2017		2015-2016	
		Quantity	Amount (₹)	Quantity	Amount ()
Opening Stock Shares & Securities	Nos	55,658	4,72,331.60	3,50,826	15,03,889.41
Purchases Shares & Securities	Nos	–	–	17,100	–
Sale / Transfer Shares & Securities	Nos	158	–	3,12,268	10,55,214.81
Closing Stock Shares & Securities	Nos	55,500	4,74,062.10	55,658	4,72,331.60

2.34 Previous Year figures have been regrouped and / or rearranged wherever considered necessary.

As per our report on even date.

For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS



On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No- 055398

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

Place : Kolkata
Date : 30th May, 2017

S.Arora
CFO

P. Bhutoria
Company Secretary



Independent Auditor's Report

To
The Members of
OCTAL CREDIT CAPITAL LIMITED
Report on the Consolidated Financial Statements

We have audited the accompanying Financial Statements of **OCTAL CREDIT CAPITAL LIMITED** (hereinafter referred to as "the Company") and its associates comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 consolidated 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 Consolidated Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Other Matters

The Consolidated Financial Statement includes the Groups share of Profit of ₹ 2,55,775 for the financial year ended 31st March 2017, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements



have not been audited by us. The aforesaid financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. in our opinion proper books of accounts, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of the consolidated financial statements;
- d. in our opinion, the aforesaid Consolidated 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 of the Company as on 31st March, 2017 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Company and its associate company incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors report of the Company and its associate companies incorporated in India.
- 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 has disclosed the impact of pending litigations on its financial position in its consolidated financial statement – Note No. 2.31 to the Consolidated Financial Statements.
 - ii. The Company does 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.
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealing in Specified Bank Notes (SBN's) during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 2.33 to the notes to the financial statements.

Place : 1, R. N. Mukherjee Road, Kolkata – 700 001

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

Chartered Accountants

Date: The 30th Day of May, 2017

Binod Kumar Jain (Proprietor)

Membership No. 055398



“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of OCTAL CREDIT CAPITAL LIMITED

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 **OCTAL CREDIT CAPITAL LIMITED** and its associates as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.



Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 associate companies which are incorporated in India, is based on the corresponding standalone report of the auditors, as applicable, of such companies incorporated in India.

Place : 1, R. N. Mukherjee Road, Kolkata – 700 001

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

Chartered Accountants

Date: The 30th Day of May, 2017

Binod Kumar Jain (Proprietor)

Membership No. 055398

OCTAL CREDIT CAPITAL LIMITED



Consolidated Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	5,00,09,000.00	5,00,09,000.00
Reserves and Surplus	2.2	72,27,586.21	77,24,638.95
Non-Current Liabilities			
Long term Provisions	2.3	6,25,835.00	6,25,835.00
Current Liabilities			
Short Term Borrowings	2.4	3,17,743.00	–
Other Current Liabilities	2.5	64,759.00	2,02,947.00
Short Term Provisions	2.6	47,996.00	65,590.00
Total		5,82,92,919.21	5,86,28,010.95
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	2.7	1,84,632.00	1,73,703.00
Non-Current Investments	2.8	3,54,80,958.97	1,81,65,183.97
Deferred Tax Asset (Net)	2.9	30,880.00	38,533.00
Long Term Loans and Advances	2.10	2,70,915.00	2,70,725.00
Current Assets			
Inventories	2.11	4,74,062.10	4,72,331.60
Trade Receivables	2.12	5,00,450.00	5,00,450.00
Cash and Cash Equivalents	2.13	6,21,959.14	1,11,17,782.38
Short-term Loans and advances	2.14	2,07,29,062.00	2,78,89,302.00
Total		5,82,92,919.21	5,86,28,010.95
Significant Accounting Policies	1		
Notes on Financial Statements	2	–	–

Notes referred to above form an integral part of financial statements

As per attached report on even date

For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS

On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No - 055398

D.K.Patni
Director
DIN : 01069986

A.Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary

Place : Kolkata
Date : 30th May, 2017

OCTAL CREDIT CAPITAL LIMITED



Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Note No.	Year Ended 31st March 2017	Year Ended 31st March 2016
INCOME			
I. Revenue from Operations	2.15	24,29,354.00	35,19,354.00
II. Other Income	2.16	1,13,120.54	3,43,135.30
III. Total Revenue (I +II)		25,42,474.54	38,62,489.30
IV. EXPENDITURE			
Purchase of Stock-in-Trade	2.17	—	—
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.18	(1,730.50)	(23,657.00)
Employee Benefit Expense	2.19	6,15,200.00	4,41,240.00
Finance Cost	2.20	19,714.00	—
Depreciation and Amortization Expense	2.21	83,046.00	85,711.00
Other expenses	2.22	25,71,452.78	11,90,569.27
Total Expenses		32,87,682.28	16,93,863.27
V. Profit before exceptional and extraordinary items and tax (III-IV)		(7,45,207.74)	21,68,626.03
VI. Exceptional Items	2.23	—	12,80,756.00
VII. Profit before extraordinary items and tax (V - VI)	₹	(7,45,207.74)	8,87,870.03
VIII. Extraordinary Items		—	—
IX. Profit before tax (VII - VIII)		(7,45,207.74)	8,87,870.03
X. Tax Expense:	2.24		
1) Current tax		—	—
2) Deferred tax		7,653.00	(4,885.00)
3) MAT Credit Entitlement		(33.00)	—
XI. Profit (Loss) for the year (IX-X)		(7,52,827.74)	8,92,755.03
Add : Share of Profit / (Loss) in Associates		2,55,775.00	1,49,568.87
XII. Profit (Loss) for the period		(4,97,052.74)	10,42,323.90
XIII. Earning per equity share:	2.25		
1) Basic (Equity Share Face Value ₹10/- each)		(0.10)	0.21
2) Diluted (Equity Share Face Value 10/- each)		(0.10)	0.21
Significant Accounting Policies	1		
Notes on Financial Statements	2		

Notes referred to above form an integral part of financial statements

As per attached report on even date

On behalf of the board

For **JAIN BINOD & ASSOCIATES**

Firm Reg. No. 320231E

CHARTERED ACCOUNTANTS

Binod Kumar Jain

(Proprietor)

M.No- 055398

Place : Kolkata

Date : 30th May, 2017

D.K.Patni
Director
DIN : 01069986S.Arora
CFOA.Patni
Whole Time Director
DIN : 07210950P. Bhutoria
Company Secretary

OCTAL CREDIT CAPITAL LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2016-2017 ₹	2015-2016 ₹
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Adjustment before Tax & Extra Ordinary items	(7,45,207.74)	8,87,870.03
Add/Less Adjustment for:		
Depreciation	83,046.00	85,711.00
Dividend on Shares (Investment)	(2,244.50)	(2,244.50)
Provision for Non Performing Assets	–	(2,37,227.00)
Provision for Standard Asset No Longer Required Written Back	(17,594.00)	(1,176.00)
Operating Profit before Working Capital Changes	(6,82,000.24)	7,32,933.53
Add/Less:- Adjustment for:		
1. (Increase) / Decrease in Inventories	(1,730.50)	10,31,557.81
2. (Increase) / Decrease in Long Term Loans & Advances	(190.00)	7,90,756.00
3. (Increase) / Decrease in Short Term Loans & Advances	71,77,834.00	(5,23,322.00)
4. (Increase) / Decrease in Other Non Current Assets	–	–
5. (Increase) / Decrease in Other Current Assets	–	–
6. Increase / (Decrease) in Trade Payables	–	–
7. Increase / (Decrease) in Short Term Borrowings	3,17,743.00	–
8. Increase / (Decrease) in Current Liabilities & Provisions	(1,55,782.00)	1,11,005.80
Cash Generated from Operation	66,55,874.26	21,42,931.14
Direct Taxes Paid (Net of Refunds)	(33.00)	–
Net Cash used in Operating Activities	66,55,907.26	21,42,931.14
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,70,60,000.00)	(10,55,214.81)
Purchase of Fixed Assets	(93,975.00)	–
Investment Written off	–	4,90,000.00
Dividend on Shares (Investment)	2,244.50	2,244.50
Net Cash used in Investment Activities	(1,71,51,730.50)	(5,62,970.31)
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash used in Financing Activities	–	–
Net Increase in Cash & Cash Equivalents(A+B+C)	(1,04,95,823.24)	15,79,960.83
Cash and cash equivalents (Opening Balance)	1,11,17,782.38	95,37,821.55
Cash and cash equivalents (Closing Balance)	6,21,959.14	1,11,17,782.38

This is the Cash Flow Statement referred to in our report of even date

For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS

On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No- 055398

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

Place : Kolkata
Date : 30th May, 2017

S.Arora
CFO

P. Bhutoria
Company Secretary



1. SUMMARY OF CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

1.1 The consolidated financial statements have been prepared in accordance with the Accounting Standard (AS) – 23 on “Accounting for Investments in Associates in Consolidated Financial Statements”.

1.2 The consolidated financial statements relates to The Holding Company and its associates. The details are as given below:-

Name of Associates	New View Consultants Private Limited	Nirmalkunj Projects Private Limited
Country Of Incorporation	India	India
Proportion of Ownership Interest	22.74%	24.99%

1.3 Consolidation Process

Investment in Associates are accounted in accordance with AS-23 on “Accounting for Investments in Associates in Consolidated Financial Statements”, under equity method. The difference between cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

1.4 Other Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The Consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India, wherever applicable.

The Consolidated financial statement has been prepared under the historical cost convention using accrual method of accounting

B. Use of Estimates

The preparation of Consolidated financial statements in conformity with generally accepted accounting standards generally accepted in India requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the disclosures relating to Contingent Assets and Contingent liabilities as on the date of the financial statements and the reported amount of Revenues and Expenses during reporting period. Management believes that the estimates used in the preparation of the Consolidated Financial Statements are prudent and reasonable. Actual results could differ from those estimates.

C. Fixed Assets

All Fixed Assets are stated at acquisition cost less accumulated depreciation.

D. Depreciation

Depreciation on Fixed Assets has been provided on straight-line method. Depreciation is provided on based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**E. Investments**

Investments are long term in nature and are stated at cost of acquisition. In the opinion of the management, the decline in the market value of investment is temporary in nature; hence no provision for diminution in the value of investments has been made.

F. Inventories

Shares and Securities purchased for trading purpose are shown as Inventories under the head current assets and are valued at cost or market price whichever is lower.

G. Revenue Recognition**Sales**

Income from Sale of Shares is recognised on the date of transaction.

Interest Income

Interest on Loan is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

H. Retirement Benefits

Payment of Gratuity Act is not applicable to the company as numbers of employees are less than the minimum required for applicability of Gratuity Act.

I. Taxation

Provision of Current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rate as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset/liabilities are reviewed as at Balance sheet date based on the developments during the year and reassess assets/liabilities in terms of Accounting Standard – 22 issued by ICAI.

J. Earning Per Share (EPS)

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 "Earnings per Share".

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

K. Provision, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the notes to financial statements.


Notes on Standalone Financial Statements for the Year ended 31st March, 2017

	2016-17	2015-16
	₹	₹
2.1 SHARE CAPITAL		
Authorised Share Capital :		
55,00,000 Equity Shares of ₹ 10/- each	5,50,00,000.00	5,50,00,000.00
Issued, Subscribed and Paid-up:		
50,00,900 Equity Shares of ₹10/- each	5,00,09,000.00	5,00,09,000.00

2.1.1 Terms attached to Equity shares

The company has only one class of shares having par value of ₹10/- per share. Each holder of Equity shares is entitled to one vote per share.

2.1.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	No. of Shares	No. of Shares
At the beginning of the period	50,00,900	50,00,900
Add: Issued during the period	-	-
Outstanding at the end of reporting date	50,00,900	50,00,900

2.1.3 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Oriental Bank of Commerce	337500	6.75	337500	6.75
Patni Resources Private Limited	824800	16.49	754800	15.09

2.2 RESERVES & SURPLUS
a) Reserve Fund

Balance as per the last financial statements	16,85,447.06	14,28,041.06
Add: Share of Post Acquisition Reserves of Associates upto 31-03-2015	-	48,941.00
Add: During the Year	-	2,08,465.00
Closing Balance	<u>16,85,447.06</u>	<u>16,85,447.06</u>

b) Securities Premium Account

Balance as per last financial statements	55,71,245.00	-
Add : Share of Post Acquisition Reserves of Associates upto 31-03-2015	-	55,71,245.00
Add : During the year	-	-
Closing Balance	<u>55,71,245.00</u>	<u>55,71,245.00</u>

c) Surplus / (Deficit)

Opening Balance	4,67,946.89	4,38,754.86
Add: Profit for the Year	(4,97,052.74)	10,42,323.90
Add : Share of Post Acquisition Profit / (Loss) of Associates upto 31-03-2015	(29,105.85)	14,81,078.76
	-	(8,04,666.87)
	29,105.85	6,76,411.89
Less: Transfer to Reserve Fund as per section 45(IC) of the RBI Act, 1934	-	2,08,465.00
Closing Balance	<u>(29,105.85)</u>	<u>4,67,946.89</u>

Total (a+ b+c)	<u>72,27,586.21</u>	<u>77,24,638.95</u>
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OCTAL CREDIT CAPITAL LIMITED

Notes on Standalone Financial Statements for the Year ended 31st March, 2017

		2016-17	2015-16
			₹
2.3	LONG TERM PROVISIONS		
	Provision for NPA	6,25,835.00	6,25,835.00
2.3.1	Loan given to Toorsa Tea Company (₹ 62,568/-) & to East India Transport Agency (₹ 62,817/-) has been considered as Doubtful. Hence 100% provision has been made.		
2.3.2	Provision on Doubtful Debts of ₹ 5,00,450/- has been made @ 100%.		
2.4	SHORT TERM BORROWINGS		
	Unsecured		
	Loans Repayable on Demand		
	From Related Parties (Refer No. 2.29)	3,17,743.00	-
		<u>3,17,743.00</u>	<u>-</u>
2.5	OTHER CURRENT LIABILITIES		
	Sundry Creditor - For Expenses	57,788.00	1,27,307.00
	Salary Payable	-	75,640.00
	TDS Payable	6,971.00	-
		<u>64,759.00</u>	<u>2,02,947.00</u>
2.6	SHORT TERM PROVISIONS		
	Contingent Provision Against Standard Assets	47,996.00	65,590.00
		<u>47,996.00</u>	<u>65,590.00</u>
2.6.1	Contingent Provision against Standard Assets have been provided @ 0.25%		
2.7	NON - CURRENT INVESTMENTS		
	(Non Trade)		
	Investment in Equity Instrument		
a)	Quoted (At Cost less provision for other than temporary diminution)	Quantity	Amount
		Quantity	Amount
	Arihant Enterprises Limited	10,000	70,000.00
	Ashika Credit Capital Ltd.	28,000	7,00,000.00
	Baid Mercantiles Limited	82,000	1,64,000.00
	C.R.B Corporations Limited	2,900	2,900.00
	C.R.B. Capitals Limited	100	100.00
	Checons Limited	1,700	37,400.00
	Consortium Vyapaar Limited	500	500.00
	GMB Ceramics Limited	300	300.00
	Grapco Industries Limited	7,000	7,000.00
	International Construction Limited	6,900	65,550.00
	Kankkinara Enterprises Limited (Form: Bhatpara Papers Limited)	33,333	-
	Khaitan Chem. & Fertilisers Ltd.	44,890	3,82,481.16
	Lords Chemical Limited	1,000	951.39
	NCL Reserch & Financial Services Limited	31,500	4,48,875.00
	NCL Reserch & Financial Services Limited (Bonus)	1,26,000	-
	Quality Synthetics Limited	6,500	2,47,000.00
	Shradha Projects Ltd.	2,64,600	2,72,893.22
	Uniworth (I) Limited	460	285.20
	Uniworth Textile Limited	75	60.00
	Total (a)	<u>6,47,758</u>	<u>24,00,295.97</u>
		<u>6,47,758</u>	<u>24,00,295.97</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2.7

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.16	Addition	Disposal/ Deduction	As at 01.04.16	For the Year	Adjustment for Disposal	As at 31.03.17	As at 31.03.16
	As at 31.03.17	As at 31.03.17		As at 31.03.17	As at 31.03.17			
Office Equipment	1,83,064	63,000	-	1,10,329	39,898	-	95,837	72,735
Computer	2,63,402	30,975	-	2,11,538	36,197	-	46,642	51,864
Furniture & Fixtures	82,908	-	-	33,804	6,951	-	42,153	49,104
Total	5,29,374	93,975	-	3,55,671	83,046	-	1,84,632	1,73,703
Previous Year	5,29,374	-	-	2,69,960	85,711	-	1,73,703	-

On behalf of the board

D.K.Patni
Director

DIN : 01069986

A.Patni

Whole Time Director

DIN : 07210950

S.Arora

CFO

P. Bhutoria

Company Secretary

Memb. No.

OCTAL CREDIT CAPITAL LIMITED

Notes on Standalone Financial Statements for the Year ended 31st March, 2017

	2 016-17		2015-16	
	₹		₹	
b) Unquoted (At Cost less provision for other than temporary diminution)				
In Associates				
Nirmalkunj Projects Pvt Ltd (FV ₹10/-) (includes Goodwill of 9,104/-)	1,70,000	17,18,349.00	1,70,000	16,91,635.00
New View Consultant (P) Ltd. (FV 10/-) (includes Capital Reserve of 4,14,08,435/-)	5,58,000	63,18,514.00	5,58,000	60,89,453.00
In Others				
Octal Securities & Services (P) Ltd. (FV 10/-)	5,10,000.00	25,00,000.00	-	-
Patni Resources (P) Ltd. (P) Ltd. (FV 10/-)	4,30,000.00	21,50,000.00	-	-
Trans Scan Securities (P) Ltd. (FV 10/-)	13,61,250	57,81,000.00	13,61,250	57,81,000.00
Darkin Vincom (P) Ltd. (FV 10/-)	4,84,200	9,68,400.00	4,84,200	9,68,400.00
M.S. Finvests (P) Ltd. (FV 10/-)	1,08,000	3,33,000.00	1,08,000	3,33,000.00
SBS Commercial (P) Ltd. (FV 10/-)	10,30,000.00	1,23,60,000.00	-	-
Varanasi Commercial Limited (FV 10/-)	1,400	1,400.00	1,400	1,400.00
Niche Technologies Pvt Ltd (FV 10/-)	30,000	9,00,000.00	30,000	9,00,000.00
Total (b)	46,82,850.00	3,30,80,663.00	27,12,850	1,57,64,888.00
TOTAL (a + b)	53,30,608.00	3,54,80,958.97	33,60,608	1,81,65,183.97
(The Market Value of Quoted Investments as on 31.3.2017 is 99.47 Lacs and as on 31.3.2016 is 96.28 Lacs)				
2.9 DEFERRED TAX ASSETS (Net)				
On Depreciation	30,880.00		38,533.00	
2.10 LONG TERM LOANS AND ADVANCES				
(Unsecured , Considered Doubtful)				
Loan to Others (Refer Note No. 2.3.1 & 2.3.2)		1,25,385.00		1,25,385.00
(Unsecured , Considered Good)				
Security Deposits		45,530.00		45,340.00
Other Advances		1,00,000.00		1,00,000.00
		<u>2,70,915.00</u>		<u>2,70,725.00</u>
2.11 INVENTORIES				
(Valued at cost or market price/nav whichever is lower)				
In Quoted Shares	Qty	Amount	Qty	Amount
Bala Techno Global Limited	2,000	380.00	2,000	660.00
Balmer Lawrie Investment Limited	300	-	300	-
Balmer Lawrie Vanleer Limited	300	4,500.00	300	4,500.00
Chemox Lab Limited (Form :Bentoll Chemicals Limited)	100	100.00	100	100.00
IM+ Capital Limited (Form : Brescon Advisors & Holdings Limited)	400	6,680.00	400	6,680.00
Genus Power Infra. Limited	3,000	2,400.00	3,000	2,400.00
Genus Paper & Board Limited	3,000	-	3,000	-
Steel Exchange India Limited	2	162.50	160	80.00
Hindustan Finance Management Limited	500	500.00	500	500.00
Marsons Limited	1,600	18,400.00	1,600	16,272.00
Marsons Limited (Bonus)	1,400	-	1,400	-
MFL India Limited	19,000	3,800.00	19,000	3,800.00
Precision Fastner Limited	500	500.00	500	500.00
The Scottish Assam (India) Limited	21,398	4,32,239.60	21,398	4,32,239.60
Skyline NEPC Limited	1,000	1,000.00	1,000	1,700.00
Spentex Industries Limited	1,000	3,400.00	1,000	2,900.00
	<u>55,500</u>	<u>4,74,062.10</u>	<u>55,658</u>	<u>4,72,331.60</u>

* Due to Restructuring and Amalgamation of Glod Star Sales & Alloys Limited Steel Exchange India Limited.

OCTAL CREDIT CAPITAL LIMITED

Notes on Standalone Financial Statements for the Year ended 31st March, 2017

	2 016-17	2015-16
	<u>₹</u>	<u>₹</u>
2.12 TRADE RECEIVABLES (Unsecured , Considered Doubtful)		
For more than six months (Refer Note No. 2.3.2)	5,00,450.00	5,00,450.00
	<u>5,00,450.00</u>	<u>5,00,450.00</u>
2.13 CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents		
Balance with Banks:		
On Current Account	3,37,520.84	19,57,323.08
Cheques in Hand	1,87,200.00	-
Cash in hand (As certified by the Management)	97,238.30	6,60,459.30
Other Bank Balances		
Fixed Deposit (with Original Maturity of Less than 12 months)	-	85,00,000.00
Total Cash & Bank Balances	<u>6,21,959.14</u>	<u>1,11,17,782.38</u>
2.14 SHORT TERM LOANS AND ADVANCES		
Loans		
To Others (Unsecured, Considered Good	1,91,98,410.00	2,62,35,912.00
Advances (Unsecured, Considered Good)		
Accrued Interest on Fixed Deposits	-	2,56,843.00
Balances with Revenue Authorities		
(Net of provision of Rs. 28,613/- Prev. Year Rs. 1,51,106/-)	12,79,917.00	11,36,587.00
MAT Credit Entitlement	2,30,735.00	2,30,735.00
Prepaid Expenses	-	9,225.00
Other Advances	20,000.00	20,000.00
	<u>2,07,29,062.00</u>	<u>2,78,89,302.00</u>

On behalf of the board

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary


Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

	2016-17 ₹	2015-16 ₹
2.15 REVENUE FROM OPERATIONS		
Interest		
Interest on Loan (Tds ₹ 1,32,976/-, Prev. Year ₹ 2,50,597/-)	23,89,641.00	28,76,759.00
Interest on FD (Tds ₹ 3,972/-, Prev. Year ₹ 64,260/-)	39,713.00	6,42,595.00
	<u>24,29,354.00</u>	<u>35,19,354.00</u>
2.16 OTHER INCOME		
a) Interest Income		
Interest on Income Tax Refund	10,110.00	31,512.00
Interest on Security Deposit	2,579.04	1,831.80
b) Dividend Income		
Dividend on Stock in Trade	80,593.00	69,144.00
Dividend on Non Current Investment	2,244.50	2,244.50
c) Other Non-Operating Income		
Provision for Standard Assets - Written back	17,594.00	1,176.00
Provision for NPA now written Back	-	2,37,227.00
	<u>1,13,120.54</u>	<u>3,43,135.30</u>
2.17 PURCHASE OF STOCK IN TRADE		
Shares & Securities	-	-
2.18 (INCREASE) / DECREASE IN THE INVENTORIES		
Inventories at the beginning of the year	4,72,331.60	15,03,889.41
Less : Transfer to Investment	-	10,55,214.81
	<u>4,72,331.60</u>	<u>4,48,674.60</u>
Less : Inventories at the end of the year	<u>4,74,062.10</u>	<u>4,72,331.60</u>
	(1,730.50)	(23,657.00)
2.19 EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	6,15,200.00	4,41,240.00
	<u>6,15,200.00</u>	<u>4,41,240.00</u>
* Includes Director Remuneration ₹ 2,40,000/- (Prev. Year ₹ 60,000/-)		
2.20 FINANCE COST		
Interest on Unsecured Loan	19,714.00	-
	19,714.00	-
2.21 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation	83,046.00	85,711.00
	<u>83,046.00</u>	<u>85,711.00</u>
2.22 OTHER EXPENSES		
a) Rates and taxes, excluding, taxes on income	23,902.00	23,902.00
b) Payment to Auditors		
As Audit Fees	15,000.00	15,000.00


Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

	2016-17 ₹	2015-16 ₹
c) Miscellaneous expenses	5,82,953.74	3,43,842.87
d) Rent	4,32,000.00	4,32,000.00
e) Repair & Maintenance	1,85,213.00	50,879.60
f) Professional Fees	55,237.00	32,185.00
g) Listing Fee (Stock Exchanges)	2,49,038.00	2,36,518.00
h) Business Promotion Expenses	9,68,750.00	-
i) Electricity Expenses	59,359.04	56,241.80
	<u>25,71,452.78</u>	<u>11,90,569.27</u>
2.23 TAX EXPENSE		
a) CURRENT TAX		
Provision for Income Tax	-	1,22,493.00
Less: MAT Credit Entitlement	-	1,22,493.00
	<u>-</u>	<u>-</u>
2.24 EXCEPTIONAL ITEMS		
Investment Written Off	-	4,90,000.00
Bad Debts	-	7,90,756.00
	<u>-</u>	<u>12,80,756.00</u>
2.25 EARNING PER SHARE (BASIC/DILUTED)		
Net Profit as per Profit & Loss Statement	(4,97,052.74)	10,42,323.90
Number of Equity Shares	50,00,900	50,00,900
Earning per Share (Basic/ Diluted)	(0.10)	0.21

On behalf of the board

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

S.Arora
CFO

P. Bhutoria
Company Secretary


Notes on Consolidated Financial Statements for the Year ended 31st March, 2017
NOTE 2.26

Additional information, as required under schedule III to the Companies Act 2013, of enterprises consolidated as Associates:

Name of the Enterprise	Net Assets i.e.Total assets minus Total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated profit or loss	Amount (₹)
Parent				
Octal Credit Capital Limited	85.96	4,91,99,723.21	(151.46)	(7,52,827.74)
Subsidiaries	-	-	-	-
Minority Interests in all subsidiaries	-	-	-	-
Associates (Investment as per the equity method)				
Indian				
New View Consultant Private Limited	11.04	63,18,514.00	46.08	2,29,061.00
Nirmalkunj Projects Private Limited	3.00	17,18,349.00	5.37	26,714.00
	100.00	5,72,36,586.21	(100.00)	(4,97,052.74)


NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.27 The Company has complied with the prudential norms as per NBFC's (Reserve Bank) Directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it. Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately

2.28 Provision of Current Tax is made with reference to taxable income computed for the accounting period for which the financial statement are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Asset/Liabilities are reviewed as at balance sheet date based on the development during the year and reassess realization/Liabilities in terms of AS-22 Issued by ICAI.

Components	Deferred Tax Asset as at 01.04.2016	Originated / (Reversed) During the year	Deferred Tax Asset as at 31.03.2017
Depreciation	38,533.00	(7,653.00)	30,880.00

2.29 Related Party Disclosure :

Related party disclosures as required by AS-18 – 'Related Party Disclosure' are given below:

Key Management Personnel (KMP) : Mr. Arihant Patni (Whole Time Director) & Mrs. Payal Bhutoria (Company Secretary) & Mr. Shyam Arora (CFO)

b) Transaction with Related Parties
(Amount in ₹)

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			16-17	15-16	31.03.2017	31.03.2016
Mr J.M.Saraogi (Resigned in 15-16)	KMP	Salary	—	60,000.00	—	—
Mrs. Payal Bhutoria	Company Secretary	Salary	1,20,000.00	1,20,000.00	—	39,640.00(Cr)
Mr. Shyam Arora	CFO	Salary	1,56,500.00	1,43,240.00	—	—
Mrs. Anjana Devi Jain	Relative of KMP	Rent	24,000.00	24,000.00	—	—
Mrs. Preeti Patni	Relative of KMP	Rent	24,000.00	24,000.00	—	24,000.00(Cr.)
Mrs. Sunita Devi Patni	Relative of KMP	Rent	24,000.00	24,000.00	—	—
New View Consultants Private Limited	Associate	Loan Given Loan Repaid Interest Rec Loan Taken Interest Paid	— — — 3,00,000.00 19,714.00	15,50,000.00 15,50,000.00 20,787.00 — —	— — — 3,17,743.00(Cr.)	18,708.00(Dr.)
Niche Technologies Private Limited	KMP having Significant Influence	Professional Fee	20,000.00	19,346.00	—	—
Trans Scan Securities (P) Ltd.	KMP having Significant Influence	Brokerage & Transaction Charges	853.87	—	—	—

2.30 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2017.

OCTAL CREDIT CAPITAL LIMITED

2.31 The Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2011-12 (Asst Year 2012-2013) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 8.40 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. Subsequently, the Company has paid 4.00 Lacs (under protest) to the Income Tax Department.

2.32 **Information about Primary Business Segment:**

(in Lacs)

Particulars	Current Year			Previous Year		
	Shares	Loan	Total	Shares	Loan	Total
A : REVENUE						
Total Revenue	—	24.29	24.29	—	35.19	35.19
B : RESULT						
Segment Result	0.02	24.09	24.11	0.24	35.19	35.43
Less: Unallocated Corporate Expenses net of unallocated income	—	—	31.56	—	—	26.55
Operating Profit	—	—	(7.45)	—	—	8.88
Tax Expenses	—	—	0.08	—	—	(0.05)
Net Profit	—		(7.53)	—	—	8.93
C : OTHER INFORMATION						
Segment Assets	312.35		505.57	141.72	263.61	405.33
Unallocated Corporate Assets			25.15			131.30
Total Assets			530.72			536.63
Segment Liabilities	5.00	4.91	9.91	5.00	1.91	6.91
Unallocated Corporate Liabilities			0.65			2.03
Total Liabilities			10.56			8.94
Depreciation			0.83			0.86
Non-cash Expenses other than depreciation			—			12.80

2.33 **Disclosure in accordance with MCA Notification dated 30th March, 2017 :**

Particulars	SBN's	Other denomination Notes	Total
Closing Cash in hand as on 08-11-2016	—	1,74,715.30	1,74,715.30
Add : Withdrawal from Bank Accounts	—	70,000.00	70,000.00
Add : Permitted Receipts	—	—	—
Less : Permitted Payments	—	9,034.00	9,034.00
Less : Amount deposited in Banks	—	—	—
Closing Cash in handas on 30-12-2016	—	2,35,681.30	2,35,681.30

OCTAL CREDIT CAPITAL LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2017

2.34 Quantitative information for the year ended 31st March 2017

Particulars	Units	2016-2017		2015-2016	
		Quantity	Amount (₹)	Quantity	Amount ()
Opening Stock Shares & Securities	Nos	55,658	4,72,331.60	3,50,826	15,03,889.41
Purchases Shares & Securities	Nos	–	–	17,100	–
Sale / Transfer Shares & Securities	Nos	158	–	3,12,268	10,55,214.81
Closing Stock Shares & Securities	Nos	55,500	4,74,062.10	55,658	4,72,331.60

2.35 Previous Year figures have been regrouped and / or rearranged wherever considered necessary.

As per our report on even date.



For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS

On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No- 055398

D.K.Patni
Director
DIN :01069986

A. Patni
Whole Time Director
DIN : 07210950

Place : Kolkata
Date : 30th May, 2017

S.Arora
CFO

P. Bhutoria
Company Secretary

OCTAL CREDIT CAPITAL LIMITED

Annexure to the
Balance sheet of a Non - Deposit taking Non-Banking Financial Company
[as required in terms of paragraph 13 of Non Systematically Important Non-Banking Financial
(Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015]
(₹ in lakhs)

Particulars		Amount Outstanding	Amount Overdue
Liabilities Side :			
(1)	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	Nil	Nil
	: Unsecured (Other than falling within the meaning of public deposits)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowing	3.18	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans	Nil	Nil
Assets side			
		Amount Outstanding	
(2)	Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :		
	(a) Secured		Nil
	(b) Unsecured		194.44
(3)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :		
	(i) Lease assets including lease rentals under sundry debtors.		
	(a) Financial Lease		Nil
	(b) Operating Lease		Nil
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		Nil
	(b) Repossessed Assets		Nil
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		Nil
	(b) Loans other than (a) above		Nil
(4)	Break - up of Investments :		
	Current Investments :		
	1 Quoted :		
	(i) Shares : (a) Equity		4.74
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others		Nil
	2 Unquoted :		
	(i) Shares : (a) Equity		Nil
	(b) Preference		Nil

OCTAL CREDIT CAPITAL LIMITED

	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others		Nil
	Long Term Investment :		
	1 Quoted :		
	(i) Share : (a) Equity		24.00
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others		Nil
	2 Unquoted :		
	(i) Shares : (a) Equity		278.60
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others		Nil
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above		
		Amount net of provisions	
		Secured	Unsecured
			Total
	1. Related Parties		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	Nil	Nil
	2. Other than related parties	Nil	194.44
	Total	Nil	194.44
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	28.16	28.16
	(c) Other related parties	Nil	Nil
	2. Other than related parties		
	Quoted Shares	107.04	28.74
	Unquoted Shares	250.44	250.44
	Total	385.64	307.34
(7)	Other Information		
	Particulars	Amount	
	(i) Gross Non-Performing Assets	6.26	
	(a) Related parties	-	
	(b) Other than related parties	6.26	
	(ii) Net Non-Performing Assets	-	
	(a) Related parties	-	
	(b) Other than related parties	-	
	(iii) Assets acquired in satisfaction of debt	Nil	

OCTAL CREDIT CAPITAL LIMITED



For **JAIN BINOD & ASSOCIATES**
Firm Reg. No. 320231E
CHARTERED ACCOUNTANTS

On behalf of the board

Binod Kumar Jain
(Proprietor)
M.No- 055398

D.K.Patni
Director
DIN :01069986

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Whole Time Director
DIN : 07210950

Place : Kolkata
Date : 30th May, 2017

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