

Almondz Global Securities Ltd.

Ref: agsl/corres/NSE/17-18/0048

December 14, 2017

The Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

K/A: Mr. Kautuk Upadhyay

Re: Your Letter No. NSE/LIST/FR 3133 dated 7 December, 2017

Sub: Non-compliance as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

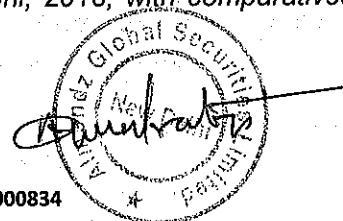
We are in receipt of your abovementioned letter. In this connection we submit as under:

1. MCA, through its notification dated 16 February 2015, issued a road map for implementation of Ind AS by companies other than banking companies, insurance companies and NBFCs.
2. MCA vide their further notification dated 30 March 2016 made some amendments to the earlier Notification and provided roadmap for NBFCs as well.
3. MCA Notification dated 30th March, 2016 defines NBFCs and included Housing Finance Companies, Merchant Banking Companies, Micro Finance Companies, Mutual Benefit Companies, Venture Capital Fund Companies, Stock Broker or Sub-Broker Companies, Nidhi Companies, Chit Companies, Securitisation and Reconstruction Companies, Mortgage Guarantee Companies, Pension Fund Companies, Asset Management Companies and Core Investment Companies under this definition.
4. Now, in our case Almondz Global Securities Limited which is a Listed Company with net worth of Rs.100 Cr and also a SEBI Registered Merchant Banker and Stock Broker falls in the category of NBFC as per definition of NBFC in the MCA's Notification dated 30 March, 2017:
5. As per Rule 4 (iv) of Companies (Indian Accounting Standard) (Amendment) Rules, 2016 which reads as under, NBFCs are not allowed to voluntarily adopt Ind AS

(iv) Notwithstanding the requirement of clauses (i) to (iii), Non-Banking Financial Companies (NBFCs) shall comply with the Indian Accounting Standards (Ind ASs) in preparation of their financial statements and audit respectively, in the following manner, namely:-

(a) The following NBFCs shall comply with the Indian Accounting Standards (Ind AS) for accounting periods beginning on or after the 1st April, 2018, with comparatives for the periods ending on 31st March, 2018, or thereafter—

- (A) _____;
(B) _____



SEBI Merchant Banking Registration No. INM000000834

(b) The following NBFCs shall comply with the Indian Accounting Standards (Ind AS) for accounting periods beginning on or after the 1st April, 2019, with comparatives for the periods ending on 31st March, 2019, or thereafter—

- (A) _____;
(B) _____; and
(C) _____.

Explanation.— _____

(v) _____

(2) _____

(a) _____;

(b) _____

Explanation.— _____

(3) _____

(4) _____;

Explanation.— _____

(5) _____;

(6) _____;

7. While approving and publishing quarterly results for the period ended 30th June, 2017 Almondz Global Securities Limited inadvertently though bonafide due to wrong interpretation adopted Ind AS which it cannot do voluntary. Subsequently after realizing this error, it was decided to immediately rectify the same and accordingly, the Board of Directors on 6th December, 2017 adopted the first quarter financial results (corrected) as well as adopted second quarter results as per Indian GAAP.

It is worthwhile here to mention that all Companies who are permitted to adopt Ind As voluntary and have elected to do so, shall be required to follow the Indian Accounting Standards (Ind AS) for all the subsequent financial statements even if any of the criteria specified in this rule does not subsequently apply to it. However, NBFC's are not permitted even voluntary to adopt Ind AS. If they have done so mistakenly, then the only remedy available to them is to rectify their mistake by reinstating their accounts on old Indian GAAP. This is precisely what we have done which is perfectly as per provisions of law explained above.

8. Since the financial results were adopted as per the Indian GAAP, Reconciliation of profit and loss was not submitted.

This is for your information.

We hope you will find the same satisfactory.

For any further information or clarification in this regard, please contact the undersigned.

Thanking you,

Yours Faithfully,

For Almondz Global Securities Ltd.



Ajay Pratap
Company Secretary &
Vice President Corporate Affairs

