

**AUDITOR'S REPORT****Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Star Shopping Centres Pvt Ltd. ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 Ind AS financial statements are free from material misstatement.

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



policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 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 does not have any pending litigations which would impact on its financial position in its Ind AS financial statements.
    - ii. the Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. the Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 29 to the Ind AS financial statements.

**For Shambhu Gupta & Co.**

*Chartered Accountants*

Firm's registration number: 007234C

*Rajkumar*

**Rajkumar Khatod**

**Partner**

**M.No. : 133612**



Place :- Mumbai

Date :- 15th May, 2017

**THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE COMPANY ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017**

**Re: Star Shopping Centres Private Limited ('the Company')**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained the proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all fixed assets of the Company have been physically verified by the management during the year and the procedures of physical verification followed by the management, in our opinion, was reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed during such verification.
- (c) According to the information and explanations given to us Company don't have any immovable properties except leasehold improvements, hence point (i) (c) is not applicable.
- (ii) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories and no material discrepancy was noticed on physical verification of inventory by the management as compared to book records.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence the clause iii (a) (b) & (C) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans, investments and guarantees to any directors and director having interest in other organization, so provisions of Section 185 and 186 of the Companies Act, 2013 is not applicable to company.
- (v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public. Hence the provisions of this clause are not applicable.
- (vi) The Company is not a manufacturing company hence the provisions of Section 148 of the Companies Act, 2013 for the maintenance of cost records are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities all undisputed statutory dues for the FY 2016-17. There are no undisputed amounts payable in respect of any statutory dues as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they become payable.



- (b) There are no disputed dues on the Company as on the end of the year.
- (c) The Company is not a listed company with SEBI hence the relevant provisions of Companies Act, 1956 so there is no requirement to transfer any amount to investor education and protection fund set-up under Section 205C of the Companies Act, 1956.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any Bank or financial institutions during the year however there is delay in repayment of installment.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised money through term loans were applied for the purposes for which those are raised.
- (x) In our opinion and according to the information and explanations given to us there is no any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company so the provision of this clause is not applicable to company.
- (xiii) All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 has been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- (xiv) During the year the Company has not made any preferential allotment/ Private placement of shares or fully or partly convertible debenture during the year.
- (xv) In our opinion and according to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him so provisions of Section 192 of Companies Act, 2013 have been complied with.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Shambhu Gupta & Co.**

*Chartered Accountants*

Firm's registration number: 007234C

*Rajkumar*

**Rajkumar Khatod**

**Partner**

**M.No: 133612**



Place :- Mumbai

Date :- 15<sup>th</sup> May, 2017

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

**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 the Company as of 31 March 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI.

**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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of



management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

**For Shambhu Gupta & Co.**

*Chartered Accountants*

Firm's registration number: 007234C

*Rajkumar*

**Rajkumar Khatod**

**Partner**

**M.No: 133612**



Place :- Mumbai

Date :- 15th May, 2017

**STAR SHOPPING CENTRES PRIVATE LIMITED**  
CIN NO :- U51101DL2008PTC184935  
BALANCE SHEET AS AT 31 March, 2017

Particulars	Notes	31 March 2017	31 March 2016	1 April 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	3	22.08	18.53	15.07
Capital Work-in-progress				
Other Intangible assets	4	0.66	-	-
Financial Assets				
(i) Loans	5(a)	-	-	-
(ii) Other Financial Assets	5(b)	2.54	2.24	1.94
Deferred tax assets (net)	19	121.53	137.11	189.86
Other non-current assets	6	5.28	8.65	17.15
<b>Total Non-Current Assets</b>		<b>152.09</b>	<b>166.53</b>	<b>224.02</b>
<b>Current assets</b>				
Inventories	7	0.35	-	-
Financial Assets				
(i) Trade receivables	5(c)	242.89	411.62	229.91
(ii) Loans	5(a)	-	-	-
(iii) Cash and cash equivalents	5(d)	169.07	126.19	80.52
(iv) Other Financial Assets	5(b)	2.18	0.67	0.95
Current Tax Assets (Net)	14	-	-	-
Other current assets	6	147.23	176.35	152.66
<b>Total Current Assets</b>		<b>561.72</b>	<b>714.83</b>	<b>464.04</b>
<b>Total Assets</b>		<b>713.81</b>	<b>881.36</b>	<b>688.06</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	8(a)	2.50	2.50	2.50
<b>Other Equity</b>				
Reserves and Surplus	8(b)	11.76	(21.71)	(138.61)
Other reserves	8(b)	-	-	-
<b>Total Equity</b>		<b>14.26</b>	<b>(19.21)</b>	<b>(136.11)</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
(i) Borrowings	9(a)	-	-	-
(ii) Other financial liabilities	9(c)	21.05	24.33	25.36
Provisions	11	19.02	15.53	12.08
Deferred tax liabilities (Net)	14	-	-	-
Other non-current liabilities	10	2.59	171.82	173.25
<b>Total Non-Current Liabilities</b>		<b>42.66</b>	<b>211.68</b>	<b>210.69</b>
<b>Current liabilities</b>				
Financial Liabilities				
(i) Borrowings	9(a)	-	-	-
(ii) Trade payables	9(b)	402.31	414.76	405.04
(iii) Other financial liabilities	9(c)	74.99	67.03	36.82
Provisions	11	0.45	0.38	0.25
Current Tax Liabilities (Net)	19	36.93	27.17	0.00
Other current liabilities	10	142.21	179.55	171.37
<b>Total Current Liabilities</b>		<b>656.89</b>	<b>688.88</b>	<b>613.48</b>
<b>Total Liabilities</b>		<b>699.55</b>	<b>900.56</b>	<b>824.18</b>
<b>Total Equity and Liabilities</b>		<b>713.81</b>	<b>881.36</b>	<b>688.06</b>

The accompanying notes 1-32 form an integral part of the financial statements.  
As per our report of even date attached

For Shambhu Gupta & Co.  
Chartered Accountants  
Firm Reg No :- 007234C

**Rajkumar**  
Rajkumar Khatod  
Partner  
Membership No: 133612  
Place : Mumbai  
Date : 15.05.2017



For and on behalf of the Board

Pranay Sinha  
Director  
02296078

Sanjeev Manchanda  
Chief Finance Officer

**Shilpa Malik**  
Director  
02165912

**STAR SHOPPING CENTRES PRIVATE LIMITED**  
CIN NO :- U51101DL2008PTC184935  
**STATEMENT OF PROFIT AND LOSS**

		(All amounts in Lacs)	
	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Revenue From Operations	12		
Other Income	13	2,421.98	2,437.16
<b>Total Income</b>		9.70	8.20
<b>Expenses</b>		<b>2,431.68</b>	<b>2,445.35</b>
Cost of Material Consumed	14		
Employee Benefits Expense	15	39.82	-
Depreciation and Amortization Expense	16	305.45	496.14
Other Expenses	17	4.96	4.16
Finance costs	18	2,028.09	1,772.41
<b>Total Expenses</b>		<b>4.83</b>	<b>3.77</b>
		<b>2,383.16</b>	<b>2,276.47</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>			
Exceptional Items		48.52	168.88
<b>Profit/(Loss) before Tax</b>		48.52	168.88
<b>Income Tax Expense:</b>	19		
-Current Tax		9.25	27.17
-Earlier year Tax		0.52	-
-Deferred Tax		(15.41)	52.52
-MAT Credit Entitlement		(9.76)	(27.17)
<b>Total tax expense</b>		<b>15.41</b>	<b>52.52</b>
<b>Profit (Loss) for the year</b>		<b>33.11</b>	<b>116.36</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(0.51)	(0.79)
Income tax relating to the above		0.16	0.24
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(0.35)</b>	<b>(0.54)</b>
<b>Total Comprehensive Income for the year</b>		<b>33.46</b>	<b>116.91</b>
<b>Earnings per equity share for profit from continuing operation attributable to owners of the company</b>			
Basic earnings per share	28	132.44	465.46
Diluted earnings per share	28	132.44	465.46

The accompanying notes 1-32 form an integral part of the financial statements.

As per our report of even date attached

For Shambhu Gupta & Co.

Chartered Accountants

Firm Reg No :- 007234C

*Rajkumar*

Rajkumar Khatod

Partner

Membership No: 133612

Place : Mumbai

Date : 15.05.2017



For and on behalf of the Board

*Pranay Sinha*  
Pranay Sinha  
Director  
02296078

*Shilpa Malik*  
Shilpa Malik  
Director  
02165912

*Sanjay Manchanda*  
Sanjay Manchanda  
Chief Finance Officer

# STAR SHOPPING CENTRES PRIVATE LIMITED

CIN NO :- U51101DL2008PTC184935

## Cash flow statement

(All amounts in Lacs)

	Notes	Year ended 31 March 2017	Year ended 31 March 2016
<b>A Cash Flow from operating activities</b>			
Profit before income tax including discontinued operations		49.04	169.67
Adjustments for			
Add:			
Depreciation and amortisation expenses	16	4.96	4.16
Loss on assets sold or discarded		-	-
Bad debts and irrecoverable balances written off		-	-
Less:			
Interest received	13	5.17	2.64
Provisions no longer required		-	-
Provision for doubtful debt written back		-	-
Surplus on sale of fixed assets		-	-
<b>Operating Profit before Working Capital Changes</b>		<b>48.82</b>	<b>171.18</b>
<b>Change in operating assets and liabilities</b>			
(Increase)/decrease in trade receivables	5(c)	168.72	(181.71)
(Increase)/decrease in Non Current other financial assets	5(b)	(0.30)	(0.30)
(Increase)/decrease in Current other financial assets	5(b)	(1.52)	0.28
(Increase)/decrease in other non-current assets	6	3.37	8.50
(Increase)/decrease in other current assets	6	29.13	(23.69)
(Increase)/decrease in inventories	7	(0.35)	-
Increase/(decrease) in trade payables	9(b)	(12.45)	9.72
Increase/(decrease) in other Non Current financial liabilities	9(c)	(3.28)	(1.03)
Increase/(decrease) in other Current financial liabilities	9(c)	7.96	30.21
Increase/(decrease) in Non Current provisions	11	3.49	3.45
Increase/(decrease) in Current provisions	11	0.08	0.13
Increase/(decrease) in other non-current liabilities	10	(169.23)	(1.43)
Increase/(decrease) in other current liabilities	10	(37.34)	8.18
<b>Cash generated from operations</b>			
Income taxes paid	19	9.76	27.17
<b>Net cash inflow from operating activities</b>		<b>46.87</b>	<b>50.65</b>
<b>B Cash flow from investing activities:</b>			
Purchase of property, plant and equipment/ intangible assets	3 & 4	(9.17)	(7.62)
Capital advances		-	-
Sale proceeds of property, plant and equipment		-	-
Long term deposits		-	-
Short term deposits		-	-
Interest received	13	5.17	2.64
<b>Net cash outflow from investing activities</b>		<b>(4.00)</b>	<b>(4.98)</b>



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<b>C Cash flow from financing activities</b>			
Repayment of long term borrowings	-	-	-
Repayment of short term borrowings	-	-	-
Interest paid	-	-	-
Investment in equity shares of a subsidiary	-	-	-
<b>Net cash inflow (outflow) from financing activities</b>	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	42.87		45.67
Add: Cash and cash equivalents at the beginning of the financial year	5(d)	126.19	80.52
<b>Cash and cash equivalents at the end of the year</b>	5(d)	<b>169.07</b>	<b>126.19</b>
Non Cash Financing and investing activities			
- Acquisition of property, plant and equipment by means of finance lease-			
<b>Reconciliation of Cash Flow statements as per the cash flow statement</b>			
<b>Cash Flow statement as per above comprises of the following</b>			
Cash and cash equivalents	31 March 2017	31 March 2016	
Bank overdrafts	169.07	126.19	
<b>Balances as per statement of cash flows</b>	<b>169.07</b>	<b>126.19</b>	

The accompanying notes 1-32 form an integral part of the financial statements.  
As per our report of even date attached

For Shambhu Gupta & Co.  
Chartered Accountants  
Firm Reg No :- 007234C

*Rajkumar*

Rajkumar Khatod  
Partner

Membership No: 133612  
Place : Mumbai  
Date : 15.05.2017



For and on behalf of the Board

*Ranay Sinha*  
Ranay Sinha  
Director  
02298078

*Shilpa Malik*  
Shilpa Malik  
Director  
02165912

*Sanjeev Manchanda*  
Sanjeev Manchanda  
Chief Finance Officer

**1. BACKGROUND**

Star Shopping Centres Private Limited (referred as "the Private Limited Company") incorporated under the provision of Companies Act, 1956 and validly existing under Companies Act 2013 with the objective of carrying on the business of planning, development & management of shopping centers / malls. The Company is a subsidiary company of Future Market Networks Limited (Holding) with 60% Share Holding.

The Company's business involves rendering a range of specialized skill & services, like conceptualization, strategy and control of master planning, retail planning, zoning, tenant and trade mix, strategic marketing & leasing, budgeting/ financial forecasting, business plan formulation, operations and management of the project opening, collections and occupier relationship management.

The contracts / assignment entered / to be entered by the Company broadly classified as Advisory Services, Project Management / Mall operating contract – Pure Revenue Sharing Arrangement, Project Management – Commitment Fee coupled with Revenue Sharing Arrangement, Sub-leasing.

**2. SIGNIFICANT ACCOUNTING POLICIES:**

**(a) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

**(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the company's first Ind AS financial statements and the adoption was carried out in accordance with Ind AS 101 *First Time Adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition.

Accounting Policies have been consistently applied except where a new issued Accounting Standard is initially adopted or a revision to an existing Accounting Standards required a change in the accounting policy with here to in use.

**(ii) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- defined benefit plans-plan assets are measured at fair value; and
- certain financial assets and liabilities and contingent consideration that is measured at fair value.

**(iii) Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amount of revenues and expenses during the period.



**(iv) Functional and Presentation Currency**

The financial statements are prepared in Indian Rupees, which is the Company's functional currency.

**(b) Property, plant and equipment**

Items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation and Amortisation methods, estimated useful lives and residual value  
Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives have been determined based on technical evaluation done by the management's expert which are equal to those specified in part C of Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets residual values has useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(c) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs to and the life of the asset shall be as conceived for the same class of asset at the Company.

**(d) Impairment of Assets**

All assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The Recoverable amount is higher of an asset's Fair Value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other



assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

**(e) Intangible Assets**

Intangible assets are recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably. An intangible asset shall be measured initially at cost. Intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets do not include any software which is integral part of the related hardware.

The Company should assess whether the useful life of an intangible asset is finite or indefinite. A useful life is indefinite, when based on all relevant factor analysis, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. An intangible asset with a finite useful life is amortised and those with an indefinite useful life are not amortised.

The amortisation period and the amortisation method for intangible assets are reviewed at financial year end.

**(f) Provisions, Contingent Liabilities and Contingent Assets**

Provision is made when there is a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, a reliable estimate of an obligation is made.

Contingent Liabilities are disclosed if a present obligation arises from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes. If the possibility of an outflow of resources is remote, disclosure is not required.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are neither recognized nor disclosed in the Financial Statements. However, when the realization of income is virtually certain, then the related asset is recognized. A contingent asset is disclosed when an inflow of economic benefits is probable.

**(g) Cash Flow Statement**

Cash flow are reported using the indirect method, whereby net profits before tax is adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities are segregated.

**(h) Current versus Non- Current Classification**

The Company presents assets and liabilities in statements of financial position based on current/non-current classification. The Company classifies an asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
  - Held primarily for the purposes of trading
  - Expected to be realized within twelve months after the reporting period or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

The company classifies a liability as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purposes of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period



The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**(i) Borrowing Cost**

It should capitalize borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the statement of profit and losses in the period in which they are incurred.

**(j) Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

**Sale of Services**

Revenue from Services derived is recognized in the accounting period in which the service are rendered. For Fixed-price Contracts, revenue is recognized based on actual service provided during the end of the reporting period as a proportion of the total service to be provided (Percentage of Completion method).

Estimate of Revenues, cost or extent of progress toward completion are revised if circumstances changes. Any resulting increase or decrease in estimated revenues or costs are reflected in the profit or loss in the period in which circumstances that gives rise to the revision become known by management

**(k) Interest Income**

Interest income is recognised in the statement of profit and loss, using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the expected cash flows are estimated by considering all the contractual terms of the financial instrument.

**(l) Other Income**

Other income is recognized on an accrual basis, when there is certainty of collection.

**(m) Employment Benefits**

**(i) Short Term Employee Benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

**(ii) Post-Employment Benefits**

**Defined Benefit Plan**

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.



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**(n) Tax**

The tax expense for the period comprises current and deferred income tax.

**(i) Normal Income Tax Assets and Liabilities**

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rate and tax laws that have been enacted by the balance sheet date. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

**(ii) Deferred Income Tax Asset and Liabilities**

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Accounting for the deferred tax effects of a transaction or other event is consistent with the accounting for the transaction or event itself.

Deferred tax shall be recognized as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

A transaction or event which is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Deferred income tax assets is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference and tax losses can be utilized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**(o) Trade and Other Payables**

Trade and other payables such as security deposits are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within twelve months or less. If not, they are presented as non-current liabilities. These financial instruments are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

**(p) Trade and Other Receivables**

Trade and other receivables such as security deposits are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(q) Expense Recognition**

Expenses are accrued for on accrual basis and provisions are made for all known losses and liabilities.

All direct costs attributable to a project are charged to that project as follows:

Payroll expenditure is proportionately allocated to various projects based on the man hours spent by the staff on that particular project.



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Traveling, Printing, Professional fees, brokerage, maintenance charges etc. are allocated to a project on actual basis.

All indirect costs are treated as period cost and are charged to the profit & loss account in the year in which they are incurred

**(r) Earning Per Share**

Basic earning per share is calculated by dividing the net profit or loss attributable to the ordinary equity holders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted earning per equity share is calculated by dividing the net profit attributable to the ordinary equity holders of the company by the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

**(s) Investments**

Long term (Non-current) investments are stated at the cost of acquisition. However, provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are stated at the lower of cost or fair market value.

**(t) Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**(u) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by Ind AS- 108, "Operating segment".

The Company is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment in terms of Ind AS 108 "Operating Segments". The operations of the Company are within the geographical territory of India which is considered as a single geographical segment.

The chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

**(v) Prior Period**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.



**(w) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**(x) Financial Assets**

The Company classifies its financial assets in the following measurement categories:

- those measured at amortised cost.
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

The Classification depends on the entity's business model for managing the financial assets and the contractual term of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.



# **STAR SHOPPING CENTRES PRIVATE LIMITED**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(All amounts in INR, unless otherwise stated)

### **Note 3 : Property, Plant & Equipment**

Particulars	Computer hardware	Furniture & Fittings	Leasehold Improvement	Electrical Equipments	Office Equipments	Total
<b>Year ended 31 March 2016</b>						
Gross carrying amount						
Deemed Cost as at 1st April 2015	10.40	8.00	21.16	0.53	1.20	41.29
Additions	2.33	0.86	-	-	4.43	7.62
Deductions and adjustments	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Closing gross carrying amount	12.73	8.86	21.16	0.53	5.63	48.91
Accumulated depreciation and impairment	8.76	3.51	12.54	0.03	0.61	25.45
Depreciation charge during the year	0.92	0.65	2.06	0.05	0.47	4.16
Deductions and adjustments	0.53	-	-	-	0.25	0.78
Closing accumulated depreciation and impairment	10.21	4.16	14.60	0.08	1.33	30.38
Net carrying amount 31 March 2016	2.52	4.70	6.56	0.45	4.30	18.53
<b>Year ended 31 March 2017</b>						
Gross carrying amount						
Opening gross carrying amount	12.73	8.86	21.16	0.53	5.63	48.91
Additions	2.09	5.34	-	-	1.03	8.46
Deductions and adjustments	-	-	-	-	-	-
Closing gross carrying amount	14.82	14.20	21.16	0.53	6.65	57.38
Accumulated depreciation and impairment						
Opening accumulated depreciation	10.21	4.16	14.60	0.08	1.33	30.38
Depreciation charge during the year	0.96	0.90	2.06	0.05	0.94	4.92
Impairment loss	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Closing accumulated depreciation and impairment	11.16	5.07	16.67	0.13	2.27	35.30
Net carrying amount	3.66	9.14	4.50	0.40	4.38	22.08



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**Note 4: Intangible Assets**

Particulars	Software	Total
<b>Year ended 31 March 2016</b>		
Gross carrying amount		
Deemed cost as at 1 April 2015	-	-
Additions	-	-
Deductions	-	-
<b>Closing gross carrying amount</b>	-	-
<b>Accumulated amortisation</b>	-	-
Amortisation charge for the year	-	-
Deductions	-	-
<b>Closing accumulated amortisation</b>	-	-
<b>Closing net carrying amount</b>	-	-
<b>Year ended 31 March 2017</b>		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions	0.71	0.71
Deductions	-	-
<b>Closing gross carrying amount</b>	0.71	0.71
<b>Accumulated amortisation and impairment</b>		
Opening accumulated amortisation	-	-
Amortisation charge for the year	0.05	0.05
Impairment charge	-	-
<b>Closing accumulated amortisation and impairment</b>	0.05	0.05
<b>Closing net carrying amount</b>	0.66	0.66



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# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

### Note 5: Financial assets

#### 5(a) Loans

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Security and other deposits	-	-	-	-	-	-
<b>Total loans</b>	-	-	-	-	-	-

#### Note 5(b) Other financial assets

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-Current*	Current	Non-current*	Current	Non-current*
Interest accrued on deposits	-	-	-	-	-	-
Security deposits Paid	-	-	-	-	-	-
Other Receivables	2.18	2.54	0.67	2.24	0.95	1.94
Advances recoverable in cash	-	-	-	-	-	-
Bank deposits with more than 12 months maturity	-	-	-	-	-	-
<b>Total other financial assets</b>	2.18	2.54	0.67	2.24	0.95	1.94

\* on amortised cost

#### Note 5(c) Trade receivables

	31 March 2017	31 March 2016	1 April 2015
Trade receivables	-	-	-
Receivables from related parties	242.89	411.62	229.91
Less: Allowance for doubtful debts	-	-	-
<b>Total receivables</b>	242.89	411.62	229.91

#### Breakup of securities details

	31 March 2017	31 March 2016	1 April 2015
Secured, considered good	-	-	-
Unsecured, considered good	242.89	411.62	229.91
Doubtful	-	-	-
<b>Total</b>	242.89	411.62	229.91
Less: Allowance for doubtful debts	-	-	-
<b>Total trade receivables</b>	242.89	411.62	229.91

#### 5(d) Cash and cash equivalents

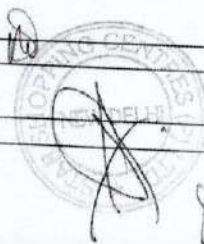
	31 March 2017	31 March 2016	1 April 2015
Balances with banks	-	-	-
- In current accounts	168.46	124.97	79.65
- deposits with original maturity of 3 months or less	-	-	-
Cash on hand	0.61	1.23	0.88
<b>Total cash and cash equivalents</b>	169.07	126.19	80.52

#### Note 6: Other assets

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Other Assets	3.08	2.46	8.20	5.54	9.35	13.74
Prepaid Rent	0.30	2.82	0.30	3.12	0.30	3.42
Advances to suppliers	6.75	-	3.23	-	4.20	-
Balances with statutory authorities	-	-	-	-	-	-
-TDS Receivable on services	89.05	-	123.76	-	124.72	-
-CENVAT credit receivable	-	-	-	-	2.29	-
Other receivables	0.04	-	-	-	-	-
Employee advances	-	-	-	-	-	-
MAT Credit Entitlement FY 15-16	27.68	-	0.15	-	-	-
MAT Credit Entitlement FY 16-17	9.25	-	27.17	-	-	-
Prepaid expenses	11.08	-	-	-	-	-
<b>Total other assets</b>	147.23	5.28	176.35	8.65	152.66	17.15

#### Note 7: Inventories

	31 March 2017	31 March 2016	1 April 2015
Closing Stock	0.35	-	-
<b>Total</b>	0.35	-	-



# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

**Note 8: Equity share capital and other equity**

**8(a) Equity share capital**

Authorised equity share capital

	Number of shares	Amount
As at 1 April 2015		
As at 31 March 2016	40,000	4.00
As at 31 March 2017	40,000	4.00

Issued, Subscribed & Paid up Capital

	Number of shares	Amount
As at 1 April 2015		
As at 31 March 2016	25,000	2.50
As at 31 March 2017	25,000	2.50

(i) Movements in equity share capital

PARTICULARS	31 March 2017		31 March 2016	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Opening Balance	25,000	2.50	25,000	2.50
Changes during the year	-	-	-	-
Closing Balance	25,000	2.50	25,000	2.50

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Future Market Networks Ltd	15,000	60	15,000	60	15,000	60
Mr. Pranay Sinha	5,000	20	6,000	24	6,000	24
Ms. Shilpa Malik	5,000	20	4,000	16	4,000	16

### Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the shareholders will be eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

In the period of five years immediately preceeding March 31, 2017

- Nil number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.
- Nil number and class of shares allotted as fully paid up by way of bonus shares; and
- Nil number and class of shares bought back.

**8(b) Reserve and surplus**

	31 March 2017	31 March 2016	1 April 2015
Securities premium reserve			
Retained earnings	298.50	298.50	298.50
Total reserves and surplus	(286.74)	(320.21)	(437.11)
	11.76	(21.71)	(138.61)

(i) Securities premium reserve

	31 March 2017	31 March 2016
Opening balance		
Proceeds received	298.50	298.50
Closing Balance	298.50	298.50



# STAR SHOPPING CENTRES PRIVATE LIMITED

## Statement of changes in equity

(All amounts in INR, unless otherwise stated)

### (A) Equity share capital

	Notes	Amount
As at 1 April 2015	8(a)	2.50
Changes in equity share capital		-
As at 31 March 2016		2.50
Changes in equity share capital		-
As at 31 March 2017		2.50

### (B) Other equity

	Notes	Reserves and Surplus		Other Reserves
		Securities premium reserve	Retained earnings	Remeasurement of Post-Employment Benefit
Balance as at 1 April 2015	8(b)	298.50	(437.11)	-
Profit for the year		-	116.36	-
Other Comprehensive Income		-	-	-
Total comprehensive income for the years		298.50	(320.75)	0.54
Balance as at 31 March 2016		-	-	0.54
Balance as at 1st April 2016		298.50	(320.75)	0.54
Profit for the period		298.50	(320.75)	0.54
Other Comprehensive Income		-	33.11	-
Total comprehensive income for the years		298.50	(287.64)	0.35
Balance as at 31 March 2017		298.50	(287.64)	0.90



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## (ii) Retained earnings

	31 March 2017	31 March 2016
Opening balance		
Add: profit for the year	(320.21)	(437.11)
Items of other comprehensive income recognised directly in retained earnings:	33.11	116.36
Remeasurements of post-employment benefit obligation, net of tax	(0.35)	(0.54)
Closing Balance	(286.74)	(319.21)

## Note 9: Financial liabilities

## 9(a) Borrowings

Non-current borrowings	Maturity date	Effective Interest	31 March 2017	31 March 2016	1 April 2015
Secured					
From Banks			-	-	-
From financial institutions			-	-	-
Total non-current borrowings			-	-	-
Current borrowings			-	-	-
Secured					
From Banks			-	-	-
Buyers credit			-	-	-
Total current borrowings			-	-	-
Less: Interest accrued (included in note 9(c))			-	-	-
Total Current borrowings			-	-	-

## 9(b) Trade payables

	31 March 2017	31 March 2016	1 April 2015
Trade payables*			
Payable to related party	160.51	292.62	293.78
Total trade payables	241.80	122.14	111.26
	402.31	414.76	405.04

\*-There were no amounts outstanding to be paid to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

- No interest is paid/payable during the year to any micro or small enterprise registered under the MSMED.

- The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED.

## 9(c) Other financial liabilities

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current *	Current	Non-current*	Current	Non-current*
Security Deposit Received	74.99	21.05	67.03	24.33	36.82	25.36
Interest accrued but not due	-	-	-	-	-	-
Total other current financial liabilities	74.99	21.05	67.03	24.33	36.82	25.36

\* on amortised cost

## Note 10: Other liabilities

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Statutory dues	4.29	-	53.98	-	28.61	-
Prepaid rent received	3.91	2.59	3.89	3.29	3.44	4.72
Expenses payable	106.32	-	81.56	-	81.65	-
Interest on Statutory Dues payable	-	-	5.78	-	5.40	-
Other Payables	-	-	15.83	-	5.42	-
Payable to Employee	1.14	-	-	-	-	-
Advance from Customers	26.55	-	18.51	168.53	46.85	168.53
Total other liabilities	142.21	2.59	179.55	171.82	171.37	173.25



**Note 11: Provisions**

**Employee benefit obligations**

	31 March 2017		31 March 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	0.45	19.02	0.38	15.53	0.25	12.08
<b>Total employee benefit obligations</b>	<b>0.45</b>	<b>19.02</b>	<b>0.38</b>	<b>15.53</b>	<b>0.25</b>	<b>12.08</b>

**Post employment benefit obligations**

**Gratuity**

**Changes in Present Value of Obligations:**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Present value of the obligation at the beginning of the period	15.91	12.33
Interest cost	1.19	0.92
Current service cost	3.53	3.44
Benefits paid (if any)	(0.64)	-
Actuarial (gain)/loss	(0.51)	(0.79)
<b>Present value of the obligation at the end of the period</b>	<b>19.47</b>	<b>15.91</b>

**Bifurcation of total Actuarial (gain) / loss on**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Actuarial gain / losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	-	-
Experience Adjustment (gain)/ loss for Plan liabilities	(0.51)	(0.79)
<b>Total amount recognized in other comprehensive Income</b>	<b>(0.51)</b>	<b>(0.79)</b>

**Amount for the year ended March 31, 2017 and March 31, 2016 recognised in the Statement of Profit and Loss under current period.**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Current service cost	3.53	3.44
Interest cost	1.19	0.92
Expected return on plan asset	-	-
<b>Expenses to be recognized in the statement of profit and loss accounts</b>	<b>4.72</b>	<b>4.36</b>

**Amount for the year ended March 31, 2017 and March 31, 2016 recognised in the Statement of other comprehensive income/Expenses under the current period:**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Actuarial (gain)/loss - obligation	(0.51)	(0.79)
Actuarial (gain)/loss - plan assets	-	-
<b>Total Actuarial (gain)/loss</b>	<b>(0.51)</b>	<b>(0.79)</b>

**Experience adjustment:**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Experience Adjustment (Gain) / loss for Plan liabilities	(0.51)	(0.79)
Experience Adjustment Gain / (loss) for Plan assets	-	-



Summary of membership data at the date of valuation and statistics based thereon:

Particulars	As at 31-Mar-17	As at 31-Mar-16
Number of employees	19	18
Total monthly salary	9.42	9.30
Average Past Service(Years)	3.3	2.5
Average remaining working lives of employees(Years)	21	21
Average Age(Years)	39	39
Weighted average duration (based on discounted cash flows) in years	16	16
Average monthly salary	0.50	0.52

The assumptions employed for the calculations are tabulated:

Discount rate	7.50 % per annum	7.50 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2006-08	IALM 2006-08
Expected rate of return	-	-
Withdrawal rate (Per Annum)	2.00% p.a.	2.00% p.a.

Benefits valued:

Normal Retirement Age	60 Years	60 Years
Salary	Terminal Basic Salary (Excluding all other Allowances and Perquisites)	Terminal Basic Salary (Excluding all other Allowances and Perquisites)
Vesting Period	5 Years of service	5 Years of service
Benefits on Normal Retirement	15/26 * Salary * Number of completed Years of Service	15/26 * Salary * Number of completed Years of Service
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	10.00	10.00

Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year	4.34	4.17
--	------	------

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows) in years	16	16
---	----	----

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

01 Apr 2017 to 31 Mar 2018	
01 Apr 2018 to 31 Mar 2019	0.56
01 Apr 2019 to 31 Mar 2020	0.58
01 Apr 2020 to 31 Mar 2021	6.44
01 Apr 2021 to 31 Mar 2022	0.45
01 Apr 2022 Onwards	0.45
	18.10

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 31 March 2017
Defined Benefit Obligation (Base)	19.47 Lacs @ Salary Increase Rate : 5%, and discount rate : 7.5%
Liability with x% increase in Discount Rate [% Change]	17.48 Lacs [ (10)% ], x=1.00%
Liability with x% decrease in Discount Rate [% Change]	21.85 Lacs [ 12% ], x=1.00%
Liability with x% increase in Salary Growth Rate [% Change]	21.89 Lacs [ 12% ], x=1.00%
Liability with x% decrease in Salary Growth Rate [% Change]	17.42 Lacs [ (11)% ], x=1.00%
Liability with x% increase in Withdrawal Rate [% Change]	19.96 Lacs [ 3% ], x=1.00%
Liability with x% decrease in Withdrawal Rate [% Change]	18.89 Lacs [ (3)% ], x=1.00%



# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

### Note 12: Revenue from operations

Particulars	31 March 2017	31 March 2016
Professional receipts	55.00	162.06
Income from Mall Operations	2,319.36	2,275.10
Sale from Food Court	47.62	-
Revenue from operations	2,421.98	2,437.16

### Note 13: Other income

Particulars	31 March 2017	31 March 2016
Interest Received on Income Tax Refund	5.17	2.64
Miscellaneous Income	4.52	5.56
Total other income	9.70	8.20

### Note 14: Cost of Material Consumed

Particulars	31 March 2017	31 March 2016
Purchase for Food Court	40.17	-
Change in Inventory	(0.35)	-
Total	39.82	-

### Note 15: Employee benefit expense

Particulars	31 March 2017	31 March 2016
Salaries, Wages & Bonus	266.17	277.82
Directors' Remuneration	28.80	206.58
Staff Welfare	0.14	1.70
Gratuity	4.72	4.36
Insurance staff	5.62	5.68
Total	305.45	496.14

### Note 16: Depreciation and amortisation expense

	31 March 2017	31 March 2016
Depreciation on Property, plant and equipment	4.92	4.16
Amortisation of Intangible Assets	0.05	-
Depreciation and amortisation expense	4.96	4.16

### Note 17: Other expenses

Particulars	31 March 2017	31 March 2016
Amortization of Project Cost	8.20	9.35
Auditors Remuneration	1.50	1.50
Books and Periodicals	0.10	0.09
Business Promotion	47.27	59.24
CAM Charges	5.23	5.39
Commission & Brokerage	4.05	4.44
Communication Exps.	6.43	6.50
Computer Maintenance	1.36	1.06
Conference & Business Meetings	1.26	3.02
Consultancy Charges	0.42	-
Conveyance Expenses	5.34	4.75
Donation	1.36	0.92
Director Seating Fee	0.30	-
Housekeeping Expenses	1.44	1.01
Income Tax Demand Paid	0.08	-
Insurance Expenses	0.12	0.11
Interest on TDS, Service Tax, etc	1.00	7.59
Internal Audit Fees	1.50	-
Legal & Professional Charges	203.84	9.40
Mall Management Expenses	1,628.07	1,590.88
Subscription Charges	0.42	1.07
Miscellaneous Expenses	2.61	0.80
Office Expenses/ Supplies	4.73	3.34
Penalty for late filing of TDS & ST Return	-	0.15
Luxury Tax (Hotel & Restaurant)	1.51	-
Postage & Corier	1.35	1.19
Power & fuel	2.11	1.92
Printing & Stationery	5.81	3.31
Rental charges	33.23	30.30
Repair & Maintenance	2.45	0.74
Sundry balance Written off	23.55	-
Swachha Bharat Tax	3.65	1.25
Travelling /Accommodation Expenses	27.81	23.06
	2,028.09	1,772.41



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17(a) Details of payments to auditors

Auditors Remuneration	31 March 2017	31 March 2016
a) Audit fees	1.00	1.00
b) Tax Audit Fees	0.50	0.50
c) Other services	-	-
<b>Total</b>	<b>1.50</b>	<b>1.50</b>

17(b) Corporate social responsibility expenditure

Since the company has not made profits, the company is therefore not required to incur corporate social responsibility activities in compliance with Section 135 of Companies Act, 2013.

Note 18: Finance costs

	31 March 2017	31 March 2016
Interest	4.48	3.67
Interest on income tax	-	-
Bank charges	0.34	0.09
<b>Total</b>	<b>4.83</b>	<b>3.77</b>

Note 19: Current and deferred tax

19(a) Statement of profit and loss:

	31 March 2017	31 March 2016	1st April 2015
<b>(a) Income tax expense</b>			
<u>Current tax</u>			
Current tax on profits for the year			
Adjustments for Earlier year tax	9.25	27.17	-
Total current tax (expense)/Saving	0.52	-	-
	<b>9.76</b>	<b>27.17</b>	<b>-</b>
<u>Deferred tax</u>			
Decrease (increase) in deferred tax assets			
(Decrease) increase in deferred tax liabilities	15.82	53.10	(191.71)
Total deferred tax expense/(benefit)	(0.41)	(0.34)	(0.82)
<b>Income tax expense</b>	<b>15.41</b>	<b>52.76</b>	<b>(192.52)</b>
	<b>25.18</b>	<b>79.92</b>	<b>(192.52)</b>

19(b) Deferred tax has been recorded for recognised in other comprehensive income during the years  
Rs. 15,824/- (previous year Rs. 24,319/).

19(c) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	31 March 2017	31 March 2016
Profit before Income Taxes		
Statutory income tax rate (MAT)	48.52	168.88
Differences due to:	19.06	20.01
Brought forward Loss or Unabsorbed Dep Whichever is Lower	-	37.47
Provision for Gratuity	-	4.36
Income exempt from income tax	-	-
Income tax incentives	-	-
Total Tax	9	27
<b>Effective income tax rate</b>	<b>19.06%</b>	<b>16.09%</b>

19(d) Tax losses

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the company

	31 March 2017	31 March 2016	1 April 2015
Unused tax losses for which no deferred tax asset has been recognised	389.07	445.01	549.26
As on 31 March 2017, the Group has net operating losses and carry forwards that shall expire as follows:			
<b>Net operating losses</b>			
2018	-	-	63.34
2019	-	-	2.52
2020	-	-	3.74
2021	193.14	249.08	280.71
2022	35.52	35.52	35.52
2023	125.96	125.96	125.96
2024			
<b>Unabsorbed depreciation</b>			
Indefinitely	34.46	34.46	37.47



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**19(e) Deferred tax liabilities (net)**

	31 March 2017	31 March 2016	1 April 2015
Property, plant and equipment			
Gratuity	1.10	1.51	1.84
<b>Total deferred tax liabilities</b>	<b>1.30</b>	<b>1.10</b>	<b>(3.81)</b>
Unabsorbed Depreciation	2.40	2.61	(1.97)
<b>Total deferred tax assets/(Liabilities)</b>	<b>10.65</b>	<b>10.65</b>	<b>11.58</b>
Note: Deferred tax assets on unabsorbed depreciation has been restricted to the extent of deferred tax liability.	<b>8.25</b>	<b>8.03</b>	<b>13.54</b>

**19(f) Movement in deferred tax liabilities/assets**

	Carry forward losses	Gratuity	Unabsorbed depreciation	Property plant and equipment	Total
<b>At 1 April 2015</b>					
(Charged)/credited:	176.32	3.81	11.58	(1.84)	189.85
- to profit or loss					
- to other comprehensive income	(53.27)	1.35	(0.93)	0.34	(52.52)
<b>At 31 March 2016</b>	<b>123.05</b>	<b>(0.24)</b>	<b>-</b>	<b>-</b>	<b>(0.24)</b>
(Charged)/credited:	123.05	4.91	10.65	(1.51)	137.11
- to profit or loss					
- to other comprehensive income	(17.28)	1.46	-	0.41	(15.41)
- Deferred tax on basis adjustment	-	(0.16)	-	-	(0.16)
<b>At 31 March 2017</b>	<b>105.77</b>	<b>6.22</b>	<b>10.65</b>	<b>(1.10)</b>	<b>121.53</b>

**19(g) Current tax liabilities**

	31 March 2017	31 March 2016
Opening balance		
Add: Current tax payable for the year		
Add: Earlier year tax payable	9.25	27.17
Less: Taxes paid (TDS Received on Service)	0.52	-
<b>Closing balance</b>	<b>9.76</b>	<b>27.17</b>



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# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

### Note 20: Fair value measurements

Fair value of financial assets and liabilities measured at amortised cost

	31 March 2017	31 March 2016	1 April 2015
<b>Financial assets</b>			
Loans	-	-	-
Other Financial Assets	2.54	2.24	1.94
<b>Total financial assets</b>	2.54	2.24	1.94
<b>Financial Liabilities</b>			
Other Financial Liabilities	21.05	24.33	25.36
<b>Total financial liabilities</b>	21.05	24.33	25.36

The carrying amounts of trade receivables, trade payables, capital payables and cash and cash equivalents are considered to be the same as their fair values.

Security deposits were calculated based on cash flows discounted using a lending/deposit rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.



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## STAR SHOPPING CENTRES PRIVATE LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (All amounts in INR, unless otherwise stated)

#### Note 21: Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets comprise trade and other receivables, and cash that arrive directly from its operations.

The company is exposed commodity price risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

##### Commodity Price Risk

The Company is affected by the volatility of certain commodities. Its operating activities require the ongoing purchase of stock & supplies and therefore require a continuous supply of the same.

The Company manages this risk by purchasing stock and supplies from the supplier identified by the management and the Company has long term relation with the supplier.

##### Credit Risk

The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

##### Trade Receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

##### Cash Deposits

Credit risk from balances with banks are managed by maintaining the balances with highly reputed commercial banks only.

##### Liquidity Risk

The Company monitors its risk to a shortage of funds on a regular basis through cash forecast.

#### Note 22: Capital Management

For the purposes of the Company's capital management, capital includes issued capital, security premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

#### Note 23: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by Ind AS- 108, "Operating segment".

The Company is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment in terms of Ind AS 108 "Operating Segments". The operations of the Company are within the geographical territory of India which is considered as a single geographical segment.

The chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.



# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

### Note 24: Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

#### (a) Name of related parties and related parties relationship

Related Parties	Nature of relation ship	
	31 March 2017	31 March 2016
Future Market Networks Limited	Holding Company	Holding Company
Aashirwad Malls Private Limited		
Suhani Mall Management Company Private Limited		
Future Trade Markets Private Limited		
Niyman Mall Management Private Company Limited	Fellow Subsidiary	Fellow Subsidiary
F R Retail Destination Private Limited		
Sun City Properties Private Limited		
Ojas Mall Management Private Limited		
Utility Developers Private Limited		
Future Retail Destination Limited		
Riddhi Siddhi Mall Management Private Limited		
River Bank Developers Private Limited		
Acute Realty Private Limited	Associate Of Holding Company	Associate Of Holding Company
Precision Realty Developers Private Limited		
Unique Malls Private Limited		
Nishta Mall Management Company Private Limited		
Euphoria Design & Decors OPC Private Limited	Director's relative	



Key Management Personnel	
Sunil Biyani	
Shilpa Malik	
Pranay Sinha	
Sanjeev Manchanda	

(b) Key management personnel compensation

Name	31-Mar-17	31-Mar-16	01-Apr-15
Short-term employee benefits	241.20	236.58	232.80
Post-employment benefits	-	-	-
Long-term employee benefits	-	-	-
Termination benefits	-	-	-
Employee share-based payment	-	-	-
<b>Total</b>	<b>241.20</b>	<b>236.58</b>	<b>232.80</b>

(c) The Following transactions were carried out with the Related Parties in the ordinary course of business.

Nature of Transaction	For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015	
	Holding Company	Other Related Concerns	Holding Company	Other Related Concerns	Holding Company	Other Related Concerns
Professional fee received	-	45.00	-	-	-	-
Reimbursement of expenses	-	-	0.10	-	0.80	-
Fixed assets acquired	-	5.19	-	-	-	-
<b>Closing Outstanding at the end of the year</b>						
Salary Payable (Pranay Sinha)	-	-	-	15.17	-	25.37
Salary Payable (Shilpa Malik)	-	-	-	63.66	-	55.68
Advance	241.80	-	283.26	-	272.39	-



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# STAR SHOPPING CENTRES PRIVATE LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All amounts in INR, unless otherwise stated)

### Note 25: Contingent liabilities and contingent assets

#### (a) Contingent liabilities

The group had contingent liabilities at 31 March 2017 in respect of:

##### (i) Claims against the group not acknowledged as debts

	31 March 2016	31 March 2015	1 April 2015
a) Bank Guarantees given on behalf of the Company for various parties	-	-	-

##### (ii) The disputed demands for taxes and other matters amounts as of the reporting period ends are respectively as follows:

	31 March 2017	31 March 2016	1 April 2015
Service tax	-	-	-
(Note : The Company has reversed the credit of Rs. Nil and paid Rs. Nil under protest against the demand)			

### Note 26: Commitments

#### Capital commitments

Capital expenditure has not contracted for at the end of the reporting period and not recognised as liabilities is Rs. Nil (31 March 2016: Rs. Nil and 1 April 2015: Nil)

### Note 27: Event occurring after the reporting period

There is no any event occurring after the reporting period for adjustment and disclosure purpose.

### Note 28: Earnings per share

	31 March 2017	31 March 2016
(a) <u>Basic and diluted earnings per share</u>		
Profit attributable to the equity holders of the company	33.11	116.36
Total basic earnings per share attributable to the equity holders of the company	132.44	465.46

#### (b) Weighted average number of shares used as the denominator

	31 March 2017 No. of shares	31 March 2016 No. of shares
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	0.25	0.25

### Note 29: DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2015 to December 30, 2016, the denomination wise SBN and other notes as per the notification is given below:

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash in hand as on November 8, 2016	1.09	0.38	1.47
(+) Permitted Receipts	0.00	13.73	13.73
(-) Permitted Payments	0.00	2.21	2.21
(-) Amount Deposited in Banks	1.09	9.18	10.27
Closing Cash in hand as on December 30, 2016	0.00	2.72	2.72

\* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.



**Note: 30: Minimum Alternate Tax (MAT)**

The company has during the year, provided the current year tax liability of Rs. 9.25 Lacs and earlier year Rs. 0.52 Lacs (previous year Rs. 27.15 Lacs) calculated in accordance with the provisions of the Income Tax Act, 1961. The MAT Credit entitlement in respect of MAT liability for the current and earlier year has been assessed/ re-assessed as at march 31, 2017 and is disclosed under 'other current assets'.

**Note: 31:** The balances of payables and receivables appearing in the balance sheet are subject to balance confirmation/ reconciliation at the year end. The management is in the process of obtaining the respective confirmations in the due course. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances.

The accompanying notes 1-32 form an integral part of the financial statements.

As per our report of even date attached

For Shambhu Gupta & Co.

Chartered Accountants

Firm Reg No :- 007234C

*Rajkumar*

Rajkumar Khatod

Partner

Membership No: 133612

Place : Mumbai

Date : 15.05.2017



For and on behalf of the Board

*Pranay Sinha*  
Pranay Sinha  
Director  
02296098

*Shruba Malik*  
Shruba Malik  
Director  
02165912

*Sanjeev Manchanda*  
Sanjeev Manchanda  
Chief Finance Officer



## STAR SHOPPING CENTRES PRIVATE LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (All amounts in INR, unless otherwise stated)

#### Note 32: First time adoption of Ind AS

##### Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs. 500 crores or more are required to adopt Ind AS. Holding, Subsidiary, Joint venture or Associate companies of this companies which has applied Ind AS are required to adopt Ind AS.

##### Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2017 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2016, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP (hereinafter referred to as "IGAAP").

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2017, together with the comparative information as at and for the year ended 31st March, 2016. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April, 2015, the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

##### A. Exemptions and exceptions availed

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

##### A.1 Ind AS optional exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous IGAAP to Ind AS.

##### A.1.1. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their IGAAP carrying value.

##### A.2 Ind AS mandatory exceptions

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101.

##### A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with IGAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with IGAAP.

##### A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

##### A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

#### B: Reconciliations between IGAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

The presentation requirements under IGAAP differs from and hence the IGAAP information has been recompanied for ease of reconciliation with Ind AS. The recompanied IGAAP information is derived based on the audited financial statements of the Company for the year ended 31st March, 2016 and 31st March, 2016.



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Reconciliation of equity as at date of transition (1 April 2015)

	Notes to first-time adoption	Recompanied IGAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		15.07	-	15.07
Capital work-in-progress		-	-	-
Other Intangible Assets		-	-	-
<b>Financial assets</b>				
i. Loans		-	-	-
ii. Other financial assets		-	-	-
Deferred tax assets (net)		-	1.94	1.94
Other non-current assets		19.39	(2.24)	17.15
<b>Total non-current assets</b>		<b>34.46</b>	<b>(0.30)</b>	<b>34.16</b>
<b>Current assets</b>				
Inventories		-	-	-
<b>Financial assets</b>				
i. Trade receivables		229.91	-	229.91
ii. Loans		-	-	-
iii. Cash and cash equivalents		80.52	-	80.52
iv. Other financial assets		-	0.95	0.95
Current tax assets (net)		-	-	-
Other current assets		153.31	(0.65)	152.66
<b>Total current assets</b>		<b>463.74</b>	<b>0.30</b>	<b>464.04</b>
<b>Total assets</b>		<b>498.20</b>	<b>-</b>	<b>498.20</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital		2.50	-	2.50
Other equity		(317.99)	179.38	(138.61)
<b>Total equity</b>		<b>(315.49)</b>	<b>179.38</b>	<b>(136.11)</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings		-	-	-
ii. Other financial liabilities		-	25.36	25.36
Provisions		-	12.08	12.08
Deferred tax liabilities(Net)		1.84	(191.71)	(189.86)
Other non-current liabilities		238.88	(65.63)	173.25
<b>Total non-current liabilities</b>		<b>240.72</b>	<b>(219.89)</b>	<b>20.83</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
i. Borrowings		-	-	-
ii. Trade payables		405.04	-	405.04
iii. Other financial liabilities		-	36.82	36.82
Provisions		-	0.25	0.25
Current tax liabilities (net)		-	-	-
Other current liabilities		167.93	3.44	171.37
<b>Total current liabilities</b>		<b>572.97</b>	<b>40.51</b>	<b>613.48</b>
<b>Total liabilities</b>		<b>813.69</b>	<b>(179.38)</b>	<b>634.31</b>
<b>TOTAL</b>		<b>498.20</b>	<b>-</b>	<b>498.20</b>
* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.		(0.00)	-	(0.00)

Reconciliation of equity as at 31 March 2016

	Notes to first-time adoption	Recompanied IGAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		18.53	-	18.53
Capital work-in-progress		-	-	-
Other Intangible assets		-	-	-
<b>Financial assets</b>				
i. Loans		-	-	-
ii. Other financial assets		-	-	-
Deferred tax assets (net)		-	2.24	2.24
Other non-current assets		11.86	(3.20)	8.65
<b>Total non-current assets</b>		<b>30.39</b>	<b>(0.96)</b>	<b>29.42</b>



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<b>Current assets</b>			
Inventories	-	-	-
Financial assets	-	-	-
i. Trade receivables	-	-	-
ii. Loans	411.62	-	411.62
iii. Cash and cash equivalents	-	-	-
iv. Other financial assets	126.19	-	126.19
Current tax assets (net)	-	0.67	0.67
Other current assets	-	-	-
<b>Total current assets</b>	<b>176.05</b>	<b>0.30</b>	<b>176.35</b>
<b>Total assets</b>	<b>713.86</b>	<b>0.96</b>	<b>714.83</b>
	<b>744.25</b>	<b>-</b>	<b>744.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	-	-	-
Other equity	2.50	-	2.50
<b>Total equity</b>	<b>(144.41)</b>	<b>122.71</b>	<b>(21.71)</b>
	<b>(141.91)</b>	<b>122.71</b>	<b>(19.21)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	-	-	-
ii. Other financial liabilities	-	24.33	24.33
Provisions	-	15.53	15.53
Deferred tax liabilities (Net)	1.51	(138.61)	(137.11)
Other non-current liabilities	267.07	(95.25)	171.82
	<b>268.58</b>	<b>(194.00)</b>	<b>74.58</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	-	-	-
ii. Trade payables	-	67.03	67.03
iii. Other financial liabilities	414.76	-	414.76
Provisions	-	0.38	0.38
Current tax liabilities (net)	-	27.17	27.17
Other current liabilities	202.83	(23.28)	179.55
<b>Total current liabilities</b>	<b>617.58</b>	<b>71.30</b>	<b>688.88</b>
<b>Total liabilities</b>	<b>886.17</b>	<b>(122.71)</b>	<b>763.46</b>
<b>TOTAL</b>	<b>744.25</b>	<b>-</b>	<b>744.25</b>

\* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

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**B. Reconciliation of Statement of Profit & Loss and total comprehensive income for the year ended 31st March, 2016**

	Notes to first-time adoption	Recompanied IGAAP*	Adjustments	Ind AS
<b>Continuing operations</b>				
Revenue from operations		2,437.16	-	2,437.16
Other income		4.53	3.67	8.20
<b>Total Income</b>		<b>2,441.68</b>	<b>3.67</b>	<b>2,445.35</b>
<b>Expenses</b>				
Cost of materials consumed		-	-	-
Employee benefit expense		491.78	4.36	496.14
Finance costs		-	3.77	3.77
Depreciation and amortisation expense		4.16	-	4.16
Other expenses		1,772.50	(0.09)	1,772.41
<b>Total expenses</b>		<b>2,268.44</b>	<b>8.03</b>	<b>2,276.47</b>
<b>Profit before exceptional items and tax</b>		<b>173.24</b>	<b>(4.36)</b>	<b>168.88</b>
<b>Exceptional Items</b>				
<b>Profit before tax from continuing operations</b>		<b>173.24</b>	<b>(4.36)</b>	<b>168.88</b>
Income tax expense				
- Current tax		27.17	-	27.17
- Deferred tax		(0.34)	52.85	52.52
- MAT Credit Entitlement		(27.17)	-	(27.17)
<b>Total tax expense</b>		<b>(0.34)</b>	<b>(52.85)</b>	<b>52.52</b>
<b>Profit for the Year</b>		<b>173.58</b>	<b>48.49</b>	<b>116.36</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations		-	(0.79)	(0.79)
Income tax relating to above		-	0.24	0.24
<b>Total Other comprehensive income, net of tax</b>		<b>-</b>	<b>(0.54)</b>	<b>(0.54)</b>
<b>Total comprehensive income for the year</b>		<b>173.58</b>		<b>116.91</b>



Reconciliation of total comprehensive income for the year ended 31 March 2016

	Notes to first time adoption	31 March 2016
Profit after tax as per IGAAP		
Adjustments:		
Deferred tax effect of adjustments		173.58
Total adjustments		
Profit after tax as per Ind AS		57.21
Other comprehensive income		57.21
Total comprehensive income as per Ind AS		116.36
		(0.54)
		116.91

Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016

	Notes	IGAAP	Adjustments	Ind AS
Net cash flow from operating activities		17.56	36.86	54.41
Net cash flow from investing activities		(0.08)	(4.89)	(4.98)
Net cash flow from financing activities		28.20	(31.96)	(3.77)
Net increase/(decrease) in cash and cash equivalents		45.67	-	45.67
Cash and cash equivalents as at 1 April 2015		80.52	-	80.52
Cash and cash equivalents as at 31 March 2016		126.19	-	126.19

C: Notes to first-time adoption:

Note 1: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the IGAAP, these remeasurements were not forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by 4.36 Lacs.

Note 2: Security deposits Given

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value i.e. on amortised cost. Accordingly, the company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by INR 3.42 Lacs as at 31 March 2016 (1 April 2015 INR 3.72 Lacs). The prepaid rent increased by INR 3.42 Lacs as at 31 March 2016 (1 April 2015 - INR 3.72 Lacs). The profit for the year and total equity as at 31 March 2016 decreased by INR 0.30 Lacs due to amortisation of the prepaid rent of INR 3.42 Lacs which is partially off-set by the notional interest income of INR 0.30 Lacs recognised on security deposits.

Note 2: Security deposits Accepted

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value i.e. on amortised cost. Accordingly, the company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent. Consequent to this change, the amount of security deposits decreased by INR 2.99 Lacs as at 31 March 2016 (1 April 2015 INR 8.16 Lacs). The prepaid rent increased by INR 2.99 Lacs as at 31 March 2016 (1 April 2015 - INR 8.16 Lacs). The profit for the year and total equity as at 31 March 2016 increased by INR 3.97 Lacs due to amortisation of the Deferred income of INR 3.42 Lacs which is partially off-set by the notional Finance Cost of INR 3.97 Lacs recognised on security deposits.

Note 3: Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments

Note 4: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as "other comprehensive income" includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 5: Deferred Tax

The various transitional adjustments lead to different temporary differences. According to the accounting policies in note 2.n(ii), the company has to account for such difference. Deferred tax adjustments are recognised in correlation to the underlying transaction in the retained earnings.

The accompanying notes 1-32 form an integral part of the financial statements.

As per our report of even date attached

For Shambhu Gupta & Co.

Chartered Accountants

Firm Reg No :- 007234C

Rajkumar

Rajkumar Khatod

Partner

Membership No: 133612

Place : Mumbai

Date : 15.05.2017



Forwarded on behalf of the Board

Pranay Sinha  
Director  
02296078

Shilpa Malik  
Director  
02165912

Sanjeev Manchanda  
Chief Finance Officer

