

**FIORA SERVICES LIMITED**  
**ANNUAL FINANCIAL STATEMENTS**  
**2015-16**

**N. M. RAIJI & CO.**  
*Chartered Accountants*  
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## **Independent Auditor's Report**

**To the Members of Fiora Services Limited**

### **Report on the Financial Statements**

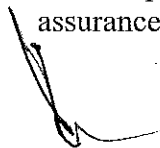
We have audited the accompanying financial statements of Fiora Services Limited ('the Company') which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 sub-section (10) of section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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

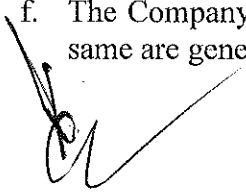
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, of its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

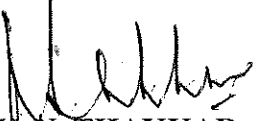
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section (3) of section 143 of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
  - f. The Company has generally adequate internal financial controls system in place and the same are generally operating effectively.



**N. M. RAIJI & CO.**

- 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 did not have any pending litigations requiring to be disclosed in its financial statements – Refer Note no. 4.2 of Notes forming part of financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **N. M. RAIJI & CO.**,  
Chartered Accountants  
(Registration No. 108296W)

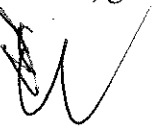
  
**CA. Y. N. THAKKAR**  
Partner  
Membership No. 33329

Place: Mumbai  
Date: 19<sup>th</sup> May, 2016

**Annexure to the Independent Auditor's report of even date**

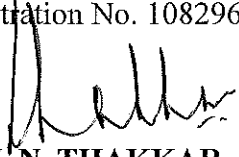
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Fiora Services Limited (the Company))

- i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets;
- b) As explained to us, physical verification of major items of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regards to the size and operations of the Company and the nature of its assets. On the basis of explanations received, in our opinion, the discrepancies found on physical verification were not significant;
- c) The Company does not own any immovable properties. Hence no disclosure in respect of the title deeds of immovable properties is required to be made;
- ii) The Company does not have any inventory. Accordingly this clause is not applicable to the Company;
- iii) The Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, sub clauses (a), (b) & (c) are not applicable to the Company;
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made;
- v) The Company has not accepted any deposits from the public;
- vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the products of the Company;
- vii) a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as on 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable;
- b) There are no disputed dues on account of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited;
- viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year;



- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the Company does not have any term loans;
- x) During the year, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit;
- xi) The Company has not paid or provided for any Managerial Remuneration during the year;
- xii) The Company is not a Nidhi Company, accordingly this clause is not applicable;
- xiii) All the related party transactions are in compliance with the Section 177 & 188 of the Act, and the details have been disclosed in the Financial Statement as required by the applicable accounting standards (Refer Note 4.8 of Financial Statements);
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;
- xv) The Company has not entered into any non-cash transactions with directors or person connected with him requiring compliance of Section 192 of the Act;
- xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934;

For **N. M. RAIJI & CO.,**  
Chartered Accountants  
(Registration No. 108296W)

  
**CA. Y. N. THAKKAR**  
Partner  
Membership No. 33329

Place: Mumbai  
Date: 19<sup>th</sup> May, 2016

## Balance sheet as at 31st March 2016

		Rs. Lakhs	
Particulars	Note No.	Figures as at 31.03.2016	Figures as at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1.1	151.91	151.91
(b) Reserves and surplus	1.2	2,404.88	2,400.80
		<b>2,556.79</b>	<b>2,552.71</b>
<b>2 Non-current liabilities</b>			
(a) Long-term provisions	1.3	197.71	160.83
		<b>197.71</b>	<b>160.83</b>
<b>3 Current liabilities</b>			
(a) Trade payables	1.4	170.69	143.04
(b) Other current liabilities	1.5	339.49	401.20
(c) Short-term provisions	1.6	29.95	27.93
		<b>540.13</b>	<b>572.17</b>
<b>TOTAL</b>		<b>3,294.63</b>	<b>3,285.71</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed Assets</b>			
(i) Tangible assets	1.7	249.97	326.29
(ii) Intangible assets	1.7	13.04	18.75
(iii) Intangible assets under development	1.7	120.70	107.67
(b) Non-current investments	1.8	1,094.01	1,094.01
(c) Deferred tax assets (net)	1.9	98.11	74.37
(d) Long-term loans and advances	1.10	780.69	518.49
		<b>2,356.52</b>	<b>2,139.58</b>
<b>2 Current assets</b>			
(a) Current investments	1.11	441.58	439.23
(b) Trade receivables	1.12	62.31	425.76
(c) Cash and cash equivalents	1.13	46.76	60.93
(d) Short-term loans and advances	1.14	387.46	220.21
		<b>938.11</b>	<b>1,146.13</b>
<b>TOTAL</b>		<b>3,294.63</b>	<b>3,285.71</b>
<b>Significant Accounting policies and Notes to Accounts</b>		1 to 4	

As per our report attached.

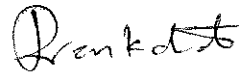
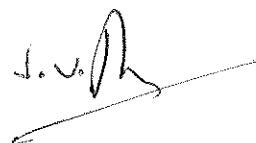
For **N. M. RAJJI & CO.,**  
Chartered Accountants  
(Registration number 108296W)



**C.A. Y. N. THAKKAR**  
Partner  
Membership Number: 33329  
Mumbai

Dated: 19<sup>th</sup> May 2016

For and on behalf of the Board,

Mumbai  
Dated: 19<sup>th</sup> May 2016

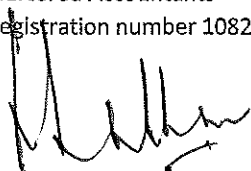
Directors

## Profit and loss statement for the year ended 31st March 2016

		Rs. Lakhs	
Particulars	Refer Note No.	Figures for the year ended 31.03.2016	Figures for the year ended 31.03.2015
I. Revenue from operations	2.1	4,750.56	4,244.50
II. Other income	2.2	59.00	38.89
<b>III. Total Revenue (I + II)</b>		<b>4,809.56</b>	<b>4,283.39</b>
IV. Expenses:			
Employee benefits expense	2.3	2,457.50	2,186.82
Depreciation and amortization expense	1.7	111.08	135.69
Other expenses	2.4	1,906.43	1,721.68
<b>Total expenses</b>		<b>4,475.01</b>	<b>4,044.19</b>
<b>V. Profit/(loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>334.55</b>	<b>239.20</b>
VI. Exceptional items		-	-
<b>VII. Profit/(loss) before extraordinary items and tax (V - VI)</b>		<b>334.55</b>	<b>239.20</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit/(loss) before tax (VII- VIII)</b>		<b>334.55</b>	<b>239.20</b>
X. Tax expense:			
(1) Current tax		137.25	116.35
(2) Deferred tax		(23.74)	(40.46)
(3) (Excess)/short provision for tax		(11.58)	-
<b>Total Tax Expenses</b>		<b>101.93</b>	<b>75.89</b>
<b>XI. Profit/(Loss) for the year (IX - X)</b>		<b>232.62</b>	<b>163.31</b>
XII. Earnings per equity share: (Basic and Diluted)	4.5		
Basic		153.13	107.51
Diluted		153.13	107.51
<b>Significant Accounting policies and Notes to Accounts</b>	<b>1 to 4</b>		

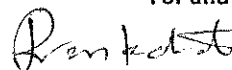
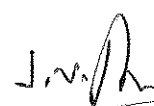
As per our report attached.

For N. M. RAJI & CO.,  
Chartered Accountants  
(Registration number 108296W)



**C.A. Y. N. THAKKAR**  
Partner  
Membership Number: 33329  
Mumbai  
Dated: 19<sup>th</sup> May 2016

For and on behalf of the Board,

Mumbai  
Dated: 19<sup>th</sup> May 2016

Directors



Notes forming part of the Balance Sheet

## Note 1.1

Sl no.	Share Capital	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
a	<b>Authorised Capital:</b> 2,00,000 Equity Shares of Rs.100/- each (2014-15: 2,00,000 Equity Shares of Rs.100/- each)	200.00	200.00
b	<b>Issued, subscribed &amp; paid up capital:</b> 1,51,905 Equity Shares of Rs. 100/- each fully paid-up (2014-15: 1,51,905 Equity Shares of Rs.100/- each)	151.91	151.91
		<b>151.91</b>	<b>151.91</b>

## c Reconciliation of Share Capital

Particulars	As at 31 Mar 2016		As at 31 March 2015	
	Number of equity shares	Rs. Lakhs	Number of equity shares	Rs. Lakhs
Shares outstanding at the beginning of the year	1,51,905	151.91	1,51,905	151.91
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,51,905	151.91	1,51,905	151.91

## d The details of shareholders holding more than 5 % shares as at 31.03.2016 is as under:

Name of Shareholder	As at 31 Mar 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Trent Brands Limited(Holding Company)	1,36,530	89.88%	1,36,530	89.88%
Tata Investment Corporation Limited	-	-	10,500	6.91%
Trent Limited(Ultimate Holding Company)	10,500	6.91%		

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- e The Company has equity shares having par value of Rs. 100 per share. Each holder of Equity Shares is entitled to one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the company, the holders of Equity shares will be entitled to receive any of the remaining assets of the company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shareholders have all other right as available to the equity shareholders as per the provisions of Companies Act 2013 read together with the Memorandum of Association and Articles of Association of the company as applicable.

Notes forming part of the Balance Sheet

**Note 1.2**

Sl no.	Reserves and Surplus	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
<b>1</b>	<b>Capital Redemption Reserve</b>		
	Opening Balance	25.00	25.00
	Add: Transfer during the year	-	-
	Closing Balance	<b>25.00</b>	<b>25.00</b>
<b>2</b>	<b>Securities Premium</b>		
	Opening Balance	45.00	45.00
	Add: Received during the year	-	-
	Closing Balance	<b>45.00</b>	<b>45.00</b>
<b>3</b>	<b>General Reserve</b>		
	Opening Balance	400.06	400.06
	Add: Transfer during the year	10.00	-
	Closing Balance	<b>410.06</b>	<b>400.06</b>
<b>4</b>	<b>Surplus</b>		
	Opening Balance	1,930.74	1,795.06
	Less: Adjustment for Depreciation (net of tax)	-	27.63
	Add: Net Profit/( Loss) For the current year	232.62	163.31
	Amount available for appropriations:	<b>2,163.36</b>	<b>1,930.74</b>
	Less: Appropriations:		
	Transfer to General Reserve	10.00	-
	Interim Dividends(Refer Note 1 below)	189.88	-
	Tax on dividend	38.66	-
	Closing Balance	<b>1,924.82</b>	<b>1,930.74</b>
		<b>2,404.88</b>	<b>2,400.80</b>

**Note 1**

The Board of Directors has declared an Interim Dividend of Rs.125 Per Equity Share aggregating to Rs.228.54 lacs including dividend distribution tax in respect of the year ended 31st March, 2016.

**Note 1.3**

Sl no.	Long-term provisions	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
<b>1</b>	Provision for employee benefits(refer note no.4.7,pg.13)	197.71	155.87
<b>2</b>	Rent Equalisation Provision	-	4.96
		<b>197.71</b>	<b>160.83</b>

Notes forming part of the Balance Sheet

## Note 1.4

Sl no.	Trade payables	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
1	Trade payables Others (Refer note 4.3, pg.13)	170.69	143.04
		<b>170.69</b>	<b>143.04</b>

## Note 1.5

Sl no.	Other Current Liabilities	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
1	Employee related liabilities	292.64	221.43
2	Creditors for capital expenditure	0.95	98.26
3	Withholding tax & Other Statutory Payments	45.90	81.51
		<b>339.49</b>	<b>401.20</b>

## Note 1.6

Sl no.	Short Term Provisions	As at 31.03.2016 Rs. Lakhs	As at 31.03.2015 Rs. Lakhs
1	Provision for employee benefits (refer note no.4.7,pg.13)	26.30	22.64
2	Rent Equalisation Provision	3.65	5.29
		<b>29.95</b>	<b>27.93</b>

**FIORA SERVICES LIMITED**

Notes forming part of the Balance Sheet

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**Note 1.7**
**FIXED ASSETS**

(Refer Note 4.13)

Particulars	Gross Block (At Cost)				Depreciation			Rs. Lakhs		
	Op. Bal As on 1.4.2015	Additions/ Adjustments	Deletions/ Adjustments	Cl. Bal As on 31.03.2016	Op. Bal As on 1.4.2015	For the period	Deductions	Adjustment against opening reserves	Cl. Bal As on 31.03.2016	As on 31.03.2016
<b>TANGIBLE ASSETS</b>										
Building Improvements	191.68 (191.68)	-	-	191.68 (191.68)	130.35 (96.34)	33.76 (34.01)	-	-	164.11 (130.35)	27.57 (61.33)
Plant & Equipments	128.97 (128.78)	6.71 (0.19)	0.08	135.60 (128.97)	36.00 (21.15)	14.33 (14.85)	0.08	-	50.25 (36.00)	85.35 (92.97)
Furniture, Fixtures	135.31 (137.10)	5.00 (1.53)	3.82 (3.32)	136.49 (135.31)	69.10 (54.56)	13.71 (13.71)	3.81 (1.88)	-	79.00 (69.10)	57.49 (66.21)
Vehicles	73.51 (67.27)	-	-	73.51 (73.51)	19.84 (19.04)	-9.97 (10.35)	-	-	29.81 (19.84)	43.70 (53.67)
Office Equipments	106.29 (108.12)	5.49 (0.55)	-	111.78 (106.29)	72.45 (24.15)	18.43 (30.27)	-	-	90.88 (72.45)	20.90 (33.84)
Computers	148.03 (139.09)	8.55 (9.91)	8.84 (0.97)	147.74 (148.03)	129.76 (88.22)	11.86 (24.16)	8.84 (0.96)	-	132.78 (129.76)	14.96 (18.27)
Sub Total	783.79 (772.03)	25.75 (38.24)	12.74 (26.49)	796.80 (783.79)	457.50 (303.46)	102.06 (127.35)	12.73 (14.58)	-	546.83 (457.50)	249.97 (326.29)
<b>INTANGIBLE ASSETS</b>										
Computer software	49.89 (48.70)	3.31 (1.19)	-	53.20 (49.89)	31.14 (22.80)	9.02 (8.34)	-	-	40.16 (31.14)	13.04 (18.75)
Sub Total	49.89 (48.70)	3.31 (1.19)	-	53.20 (49.89)	31.14 (22.80)	9.02 (8.34)	-	-	40.16 (31.14)	13.04 (18.75)
<b>TOTAL</b>	833.68 (820.74)	29.06 (39.43)	12.74 (26.49)	850.00 (833.68)	488.64 (326.26)	111.08 (135.69)	12.73 (14.58)	-	586.99 (488.64)	263.01 (345.04)
Intangible assets under development										120.70 (107.67)
Total										383.71 (452.71)

Notes: (1) Figures in brackets are in respect of previous year.

Notes forming part of the Balance Sheet

Note 1.8

Sl no.	Non Current Investments	As at 31.03.2016		As at 31.03.2015	
		No. of shares/ units	Rs. Lakhs	No. of shares/ units	Rs. Lakhs
1	<b>Non-Current Investments:</b> Long Term Trade (unquoted and fully paid unless otherwise stated)				
	Investment in Equity Shares: Tata International Limited	3,000	1,094.01	3,000	1,094.01
	<b>Total Investment in Equity Shares</b>		1,094.01		1,094.01
	<b>Total Non current investments</b>		1,094.01		1,094.01
	<b>AGGREGATE BOOK VALUE OF INVESTMENTS</b>				
	QUOTED (Market Value:Nil; 2014-15 Rs.Nil)		-		-
	UNQUOTED		1,094.01		1,094.01
		1,094.01		1,094.01	

Note 1.9

Sl no.	Deferred Tax Asset	As at 31.03.2016		As at 31.03.2015	
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
1	<b>Deferred Tax Asset</b>				
	Retirement Benefits	59.58		51.77	
	Others	1.90		2.17	
	Depreciation	36.63		20.43	
			98.11		74.37
2	<b>Deferred Tax Liabilities</b>				
		-		-	
	<b>Deferred Tax Assets (Net )</b>		98.11		74.37

Notes forming part of the Balance Sheet

## Note 1.10

Sl no.	Long-term Loans and Advances	As at	As at
		31.03.2016	31.03.2015
		Rs. Lakhs	Rs. Lakhs
	<u>Unsecured considered good;</u>		
1	Security deposits	-	82.49
2	Loans and advances to Employees	31.29	38.40
3	MAT Credit Outstanding	199.40	267.60
4	Loan to related party (Refer to Note 4.8)	550.00	130.00
		<b>780.69</b>	<b>518.49</b>

## Note 1.11

Sl no.	Current Investments	As at 31.03.2016		As at 31.03.2015	
		No. of shares/ units	Rs. Lakhs	No. of shares/ units	Rs. Lakhs
	<b>Non-trade Investment in Mutual Funds: (unquoted and fully paid unless otherwise stated)</b>				
1	Birla Sunlife Cash Plus Inst.prm. Growth	79,383	180.58	2,04,219	439.23
2	Tata liquid Fund Plan A	9,700	261.00	-	-
	<b>Total current investments</b>		<b>441.58</b>		<b>439.23</b>
	<b>AGGREGATE BOOK VALUE OF INVESTMENTS</b>				
	QUOTED		-		-
	UNQUOTED		441.58		439.23
			<b>441.58</b>		<b>439.23</b>

## Note 1.12

Sl no.	Trade receivables	As at	As at
		31.03.2016	31.03.2015
		Rs. Lakhs	Rs. Lakhs
1	Debts Outstanding for a period exceeding six months	6.97	6.97
2	Other Debts ( Due from Trent Limited - ultimate holding company Rs.59.60/- lakhs net, Previous Year Rs.391.95/- lakhs net)	62.31	418.87
		69.28	425.83
	Less : Provision for Doubtful Debts	6.97	0.07
		<b>62.31</b>	<b>425.76</b>
	Considered Doubtful-Unsecured	6.97	0.07
	Considered Good-Unsecured	62.31	425.76
		<b>69.28</b>	<b>425.83</b>

Notes forming part of the Balance Sheet

## Note 1.13

Sl no.	Cash & Cash equivalents	As at	As at
		31.03.2016	31.03.2015
		Rs. Lakhs	Rs. Lakhs
1	Balances with scheduled banks (a) Current Accounts	42.53	56.11
		42.53	56.11
2	Cash on hand	4.23	4.82
		<b>46.76</b>	<b>60.93</b>

## Note 1.14

Sl no.	Short-term Loans and Advances	As at	As at
		31.03.2016	31.03.2015
		Rs. Lakhs	Rs. Lakhs
<u>Unsecured considered good;</u>			
1	Security deposits	157.87	75.37
2	Loans and advances to Employees	16.55	9.46
3	Loans and advances-Others	7.51	-
4	Advances Payment To Creditors	11.59	6.29
5	Prepaid expenses	67.16	45.48
6	Advance payment of taxes - net of provision	126.78	82.21
7	Accrued Interest-Related party	-	1.40
		<b>387.46</b>	<b>220.21</b>

## Note 2.1

Sl no.	Revenue from operations	For the year ended 31st March 2016 Rs. Lakhs	For the year ended 31 March 2015 Rs. Lakhs
1	Buying agency commission	1,671.00	1,426.50
2	Agency commssion	1,032.00	991.05
3	Service fees	2,047.56	1,826.95
		<b>4,750.56</b>	<b>4,244.50</b>

## Note 2.2

Sl no.	Other income	For the year ended 31st March 2016 Rs. Lakhs	For the year ended 31 March 2015 Rs. Lakhs
1	Interest On Loans & Advances	22.50	4.38
2	Interest On Deposits With Banks	1.69	1.67
3	Profit On Sale of Current Investments	31.36	8.99
4	Profit on discard of asset	0.33	-
5	Miscellaneous Income	0.12	-
6	Dividend received	3.00	3.00
7	Sundry credit balances written back	-	20.85
		<b>59.00</b>	<b>38.89</b>



Notes forming part of the Profit &amp; Loss Account

## Note 2.3

Sr. No.	Employee benefits expense	For the year ended 31st March 2016 Rs. Lakhs	For the year ended 31 March 2015 Rs. Lakhs
	<b>Payments to and provisions for employees</b>		
1	Salaries, Wages, Exgratia, etc:	2,213.55	1,960.63
2	Contribution to Provident, Gratuity Fund, ESIC, etc.	112.44	112.02
3	Workmen and Staff Welfare Expenses	131.51	114.17
		<b>2,457.50</b>	<b>2,186.82</b>

## Note 2.4

Sr. No.	Other expenses	For the year ended 31st March 2016 Rs. Lakhs	For the year ended 31 March 2015 Rs. Lakhs
1	Power and Fuel	61.73	48.79
2	Repairs to Building	19.24	16.27
3	Repairs Others	75.90	74.46
4	Rent	190.81	186.80
5	Rates and Taxes	12.56	7.56
6	Insurance	0.72	0.78
7	Advertisement	0.97	-
8	Travelling Expenses	146.93	142.44
9	Professional and Legal Charges	534.41	387.90
10	Stationery and Printing	29.79	23.77
11	Bank Charges	0.26	0.52
12	Postage, Telegrams and Telephones	101.72	88.80
13	General Expenses	130.59	141.60
14	Cleaning expenses	36.69	30.88
15	Local conveyance	48.79	47.95
16	Security charges	105.07	94.78
17	Business support service expenses	50.23	89.93
18	Warehouse outsourcing expenses	287.92	271.67
19	Designing outsourcing expnses	68.72	59.37
20	Directors fees	3.00	0.12
21	Loss on sale/ discard of fixed assets	-	6.98
22	packing material & other consumables	0.38	0.31
		<b>1,906.43</b>	<b>1,721.68</b>

## Note 3

## SIGNIFICANT ACCOUNTING POLICIES

**3.1 Basis of preparation of accounts**

The financial statements are prepared on the accrual basis of accounting and in accordance with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 and referred under Section 133 of the Companies Act, 2013.

**3.2 Fixed Assets and Depreciation**

- a. Fixed Assets are stated at cost less depreciation. Costs comprise of cost of acquisition, cost of improvement and any attributable cost of bringing the asset to condition for its intended use.
- b. Depreciation is provided on straight line method in accordance with useful lives as prescribed in schedule II of the Companies Act, 2013 (Refer Note 4.13)
- c. Improvements to leasehold premises are depreciated over the period of lease remaining as at the date of the capitalisation.
- d. Intangible Assets are amortised over their useful life or ten years whichever is lower.

**3.3 Investments**

- a. Long Term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long term Investments.
- b. Current Investments are stated at lower of cost or fair value.

**3.4 Income**

- a. Buying Commission, agency commission and service fees are accounted on accrual basis and are exclusive of service tax.
- b. Interest income is accounted on accrual basis.
- c. Dividend income is accounted when right to receive payment is established.

**3.5 Retirement Benefits****a. Defined Contribution Plans**

Company's contributions during the year towards government administered Provident Fund, Family Pension Fund, ESIC and Labour Welfare Fund are charged to the Profit and Loss Account as incurred.

**b. Defined Benefit Plans**

- (i) Company's Contribution towards Gratuity made under the Group Gratuity Scheme with Life Insurance Corporation of India (LIC) is determined based on the amount recommended by LIC as per actuarial valuation.
- (ii) Provision for Long term compensated absences (Leave encashment) has been made on the basis of actuarial valuation.

**3.6 Taxation**

- a. **Current Tax:** Current Tax comprises of Provision for Income Tax and Wealth Tax which is determined in accordance with the provisions of Income Tax Act, 1961 and the Wealth Tax Act, 1957.
- b. **Deferred Tax:** Deferred tax, subject to the consideration of prudence, is recognised on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized. In case of unabsorbed depreciation and carry forward tax losses, deferred tax assets are recognised to the extent that there is virtual certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

**3.7 Provisions/Contingencies**

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

**3.8 Foreign Currency Transactions**

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction. Year end current assets and liabilities are translated at the exchange rate ruling on the date of the Balance Sheet. Exchange differences on settlement/conversion are adjusted to the Profit and Loss Account.

**3.9 Leases**

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rents under operating leases are recognised in the Profit & Loss Account on a straight line basis.

Notes on the Balance Sheet and Profit and Loss Account

Note 4

4.1 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.21.41 lacs (2014-15: Rs.14.05 lacs)

4.2 Contingent Liabilities and Claims not acknowledged as debts - Rs.Nil (2014-15- Rs. Nil)

4.3 There are no Micro and Small Enterprises , to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro and Small Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

4.4 Note 2.4 Item no. 13 General Expenses include:	2015-16 (Rs.)	2014-15 (Rs.)
(i) Auditors Remuneration(including service tax)		
- Audit fees	1.43	0.84
- Taxation matters	0.29	0.28
- Other services	0.74	0.51
(ii)Provision for Doubtful debts	6.90	-

4.5 EARNINGS PER SHARE (EPS)	2015-16	2014-15
a) Weighted Average Number of shares outstanding during the year	1,51,905	1,51,905
b) Face Value per share(Rs.)	100	100
c) Net profit after Tax before extra ordinary items available for Equity share holders(Rs.in lacs)	232.62	163.31
d) Basic and Diluted Earning Per Share (before extra ordinary items)(Rs.)	153.13	107.51
e) Net profit after Tax after extra ordinary items available for Equity share holders(Rs.in lacs)	232.62	163.31
f) Basic and Diluted Earning Per Share (after extra ordinary items)	153.13	107.51

4.6 The company has entered into lease agreements for assets taken on operating lease which range between 3 years and 5 years.These are renewable by mutually agreeable terms.The future minimum lease payments under non-cancellable operating leases are as under:

	2015-16 Rs. Lakhs	2014-15 Rs. Lakhs
i)Not Later than one year	66.79	75.94
ii)Later than one year and not later than five years	-	66.79
iii)Later than five years	-	-

4.7 EMPLOYEE BENEFITS

(a) Defined benefit plans - Gratuity (As per actuarial valuation as on March 31, 2016)

	Rs. Lakhs	
	GRATUITY LIC administered Trust (2015-16)	GRATUITY LIC administered Trust (2014-15)
<b>I Change in Obligation during the year ended March 31,2016</b>		
1 Present value of obligations as at beginning of year	114.75	82.83
2 Interest cost	10.79	8.61
3 Current Service Cost	20.78	15.04
4 Actuarial (gain)/Loss on obligations	7.98	22.00
5 Benefits Paid	(12.97)	(12.60)
6 Liabilities Assumed on Acquisition/ (Settled on Divestiture)	(0.59)	(1.13)
7 Present value of Defined Benefit Obligation at the end of the year	140.75	114.75
<b>II Change in Assets during the Year ended March 31, 2016</b>		
1 Plan assets at the beginning of the year	92.82	71.23
2 Expected return on plan assets	8.11	5.77
3 Contributions by Employer	8.46	28.13
4 Assets acquired on Acquisition/(Distributed on Divestiture)	(0.46)	(0.44)
5 Actual benefits paid	(12.97)	(12.60)
6 Actuarial Gains/ (Losses)	0.96	0.73
7 Plan Assets at the end of the year	96.93	92.82
<b>III Net Asset/(Liability) recognized in the Balance Sheet as at March 31, 2016</b>		
1 Present Value of Defined Benefit Obligation as at March 31, 2016	140.75	114.75
2 Fair value of plan assets as at March 31, 2016	96.93	92.82
3 Fund status (Surplus/(Deficit))	(43.82)	(21.93)
4 Net Assets /(Liability) as at March 31,2016	(43.82)	(21.93)

**IV Expenses recognized in the statement of Profit & Loss for the year ended March 31, 2016**

- 1 Current Service cost
- 2 Interest Cost
- 3 Expected return on plan assets
- 4 Net Actuarial (Gains)/Losses (Net of Opening Actuarial Gain/(Loss) adjustment)
- 5 Expenses recognised in statement of Profit & loss

**V The major categories of plan assets as a percentage of total plan**

- 1 Government of India Securities
- 2 Corporate Bonds
- 3 Special Deposit Scheme
- 4 Equity Shares of Listed Companies
- 5 Property
- 6 Insurer Managed Funds
- 7 Other

**VI Method of valuation**

**VII Expected employer's contribution next year**

**VIII Actuarial Assumptions**

- 1 Discount Rate
- 2 Expected rate of return on plan assets
- 3 Mortality Table
- 4 Retirement Age

	GRATUITY LIC administered Trust (2015-16)	GRATUITY LIC administered Trust (2014-15)
	20.78	15.04
	10.79	8.61
	(8.11)	(5.77)
	7.02	21.27
	30.48	39.16
	N.A.	N.A.
	N.A.	N.A.
	N.A.	N.A.
	N.A.	N.A.
	N.A.	N.A.
	100%	100%
	N.A.	N.A.
	100%	100%
	Projected Unit Credit method	
	20.00	20.00
	8.05%	8.05%
	8.00%	8.00%
	Indian Assured Lives Mortality (2006-08) Ult	
	58/60 Years	58/60 Years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**IX Experience Adjustments**

	Period Ended				
	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16
	Rs. Lakhs				
Defined Benefit Obligation	46.58	64.47	82.83	114.75	140.75
Plan Assets	43.03	57.99	71.23	92.82	96.93
Surplus/(Deficit)	(3.55)	(6.48)	(11.60)	(21.93)	(43.82)
Exp.Adj on Plan Liabilities	4.33	0.53	0.90	3.99	7.98
Exp.Adj on Plan Assets	1.08	0.09	1.86	0.73	0.96

(b) Compensated Absence Liability recognised as expense for the year is Rs. 30.27 Lakhs (2014-15:Rs.52.90 Lakhs).

The above is based on the Actuarial Valuation Report. The Report considers assumptions with respect to discount rate, salary escalation, retirement age, mortality, rates of leaving service, leave availment pattern, disability and other relevant factors. The method used is Projected Unit Credit Method.

(c) **Defined Contribution plans**

Company's Contributions to Defined Contribution Plans as expense for the year is as under :

	<u>2015-16</u>	<u>2014-15</u>
	Rs. Lakhs	Rs. Lakhs
1 Government administered Provident Fund / Family Pension Fund	79.30	69.17
2 Employees State Insurance / Labour Welfare Fund	0.38	1.04

**4.8 RELATED PARTY TRANSACTIONS:**

**a. Parties where control Exists**

Trent Brands Limited - Holding Company / Trent Limited - Ultimate holding Company

(89.88% (2014-15: 89.88%) Equity Share Capital is held by Trent Brands Limited, 100% subsidiary of Trent Limited as at 31st March, 2016)

(6.91% (2014-15: NIL) Equity Share Capital is held by Trent Limited-Ultimate Holding company as at 31st March,2016)

**b. Other Related parties with whom transactions have taken place during the year:**

Fellow Subsidiary - Nahar Retail Trading Services Limited

Fellow Subsidiary - Westland Limited

Fellow Subsidiary - Landmark Etail Limited(upto 11th June 2015)

Fellow Subsidiary - Flora Hypermarket Limited

c. Directors of the Company

- Mr. S. V. Phene (Appointed wef 21st August 2015)
- Mr. P.Venkatesalu
- Mr. Gautam Padmanabhan
- Mr. A.D. Cooper (upto 23rd August 2015)

d. Directors sitting fees

e. Buying, Agency Commission and Service Fees received \*

a) Ultimate Holding Company

Trent Limited

b) Holding Company

Trent Brands Limited

c) Fellow Subsidiaries

Trent Hypermarket Limited(upto 2nd June 14)

Nahar Retail Trading Services Limited

Landmark Etail Limited(upto 11th June 15)

Flora Hypermarket Limited

f. Purchase/other services\*

a) Ultimate Holding Company

Trent Limited

b) Fellow Subsidiary

Westland Limited

g. Interim dividend paid

a) Ultimate Holding Company

Trent Limited

b) Holding Company

Trent Brands Limited

h. Interest Received

a) Fellow Subsidiary

Westland Limited

i. Loan given during the year

a) Fellow Subsidiary

Westland Limited

j. Loan repaid during the year

b) Fellow Subsidiary

Westland Limited

k. Outstanding Loan during the year

b) Fellow Subsidiary

Westland Limited

l. Outstanding balance receivable as on 31.03.2016

a) Ultimate Holding Company

Trent Limited

b) Fellow Subsidiary

Westland Limited

\* including service tax

	<u>2015-16</u>	<u>2014-15</u>
	Rs. Lakhs	Rs. Lakhs
d. Directors sitting fees	3.00	0.12
e. Buying, Agency Commission and Service Fees received *		
a) Ultimate Holding Company		
Trent Limited	4,597.29	3,964.68
b) Holding Company		
Trent Brands Limited	-	0.49
c) Fellow Subsidiaries		
Trent Hypermarket Limited(upto 2nd June 14)	-	81.69
Nahar Retail Trading Services Limited	0.68	0.67
Landmark Etail Limited(upto 11th June 15)	-	28.15
Flora Hypermarket Limited	39.92	59.53
f. Purchase/other services*		
a) Ultimate Holding Company		
Trent Limited	57.46	54.33
b) Fellow Subsidiary		
Westland Limited	0.03	0.06
g. Interim dividend paid		
a) Ultimate Holding Company		
Trent Limited	13.13	-
b) Holding Company		
Trent Brands Limited	170.66	-
h. Interest Received		
a) Fellow Subsidiary		
Westland Limited	20.87	2.64
i. Loan given during the year		
a) Fellow Subsidiary		
Westland Limited	420.00	180.00
j. Loan repaid during the year		
b) Fellow Subsidiary		
Westland Limited	-	50.00
k. Outstanding Loan during the year		
b) Fellow Subsidiary		
Westland Limited	550.00	130.00
l. Outstanding balance receivable as on 31.03.2016		
a) Ultimate Holding Company		
Trent Limited	59.60	391.95
b) Fellow Subsidiary		
Westland Limited	-	1.40

4.9 EXPENDITURE IN FOREIGN CURRENCY:

(a) Travelling expenses

(b) Consultancy Fees (Net of tax deducted at source)

Total

	<u>2015-16</u>	<u>2014-15</u>
	Rs. Lakhs	Rs. Lakhs
(a) Travelling expenses	7.11	5.21
(b) Consultancy Fees (Net of tax deducted at source)	13.37	21.20
Total	20.47	26.41

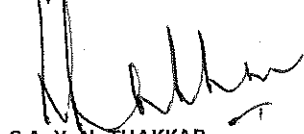
## Notes on the Balance Sheet and Profit and Loss Account

- 4.10 The Company has taken credit of MAT, which it is entitled on future taxable profits.
- 4.11 There are no amount due and outstanding to be credited to Investor Education and Protection Fund.
- 4.12 The Company is in the business of providing Services. Considering the organisation structure, nature of business and risk and return profile, the service business is considered as a single segment in accordance with the Accounting Standard AS – 17 "Segment Reporting".
- 4.13 In accordance of with the requirement Schedule II of Companies Act ,2013,company has debited an amount of Rs.NIL (2014-15:Rs.27.63 lacs) (net of defered tax) to opening balance of retained earnings in respect of assets whose remaining useful life is exhausted as at 01st April 2014.
- 4.14 Previous year's figures have been reclassified wherever necessary.

Signatures to Notes 1 to 4

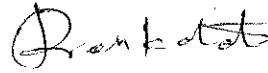
As per our report attached.

For N. M. RAJI & CO.,  
Chartered Accountants  
(Registration number 108296W)



C.A. Y. N. THAKKAR  
Partner  
Membership Number: 33329  
Mumbai  
Dated: 19<sup>th</sup> may 2016

For and on behalf of the Board,



Directors

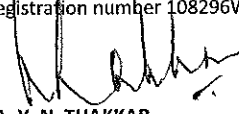


Mumbai  
Dated: 19<sup>th</sup> may 2016

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016

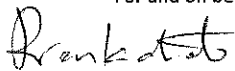
Sl no.	Particulars	1.4.2015 to 31.03.2016		1.4.2014 to 31.03.2015
		Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Net Profit before Taxes and Extra-Ordinary Items		334.55	239.20
	Adjustments for :			
	Depreciation & Amortization	111.08		135.68
	Provision for doubtful debts	6.89		-
	Interest income	(24.19)		(6.05)
	(Profit)/Loss on Fixed Assets sold (Net)	(0.33)		6.98
	(Profit)/Loss on sale of investments	(31.36)		(8.99)
	Rent Equalisation Reserve	(6.60)		3.40
	Dividend from investments	(3.00)		(3.00)
			52.49	128.02
	<b>Operating Profit Before Working Capital Changes</b>		<b>387.04</b>	<b>367.22</b>
	Adjustments for :			
	(Increase)/Decrease in Trade Receivables	356.55		(249.84)
	Decrease/(increase) in long-term loans and advances	89.60		(7.50)
	Decrease/(increase) in short-term loans and advances	(122.68)		2.49
	(Decrease)/increase in trade payables	27.65		17.50
	(Decrease)/increase in other current liabilities	35.60		107.78
	(Decrease)/increase in long term provisions	41.85		52.35
	(Decrease)/increase in short term provisions	3.66		4.55
			432.23	(72.67)
	Cash generated from operations		819.27	294.55
	Direct taxes/advance tax paid (net)	(102.03)		(67.27)
			(102.03)	(67.27)
	<b>Net Cash from Operating Activities</b>		<b>717.24</b>	<b>227.28</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of fixed assets	(139.39)		(54.99)
	Proceeds from sale of fixed assets	0.33		4.94
	Purchase of current investments	(536.00)		(576.00)
	Proceeds from sale/maturity of current investments	565.00		540.00
	Loan given	(420.00)		(180.00)
	Loan repaid	-		50.00
	Interest received on Loan given	20.87		2.64
	Interest received others	3.32		3.42
	Dividend from Investments	3.00		3.00
	<b>Net cash (used in)/from Investing Activities</b>		<b>(502.87)</b>	<b>(206.99)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Dividends / Dividend Taxes Paid	(228.54)		-
	<b>Net cash (used in)/from Financing Activities</b>		<b>(228.54)</b>	<b>-</b>
<b>D</b>	<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(14.17)</b>	<b>20.28</b>
	OPENING CASH AND CASH EQUIVALENTS (Note 1.13)		60.93	40.65
	CLOSING CASH AND CASH EQUIVALENTS (Note 1.13)		<b>46.76</b>	<b>60.93</b>


Notes: i)Cash and cash equivalents consists of cash on hand and balances with bank.  
 ii)All figures in brackets are outflows.  
 iii)Previous year's figures have been regrouped wherever necessary.

As per our report attached  
 For N.M.RAJI & CO.,  
 Chartered Accountants  
 (Registration number 108296W)  
  
 C.A. Y. N. THAKKAR  
 Partner  
 Membership Number: 33329  
 Mumbai

19<sup>th</sup> May 2016

For and on behalf of the Board,



  
 Mumbai

Directors