

Banneret Trading Private Limited

INDEPENDENT AUDITORS' REPORT

To the Members of Banneret Trading Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Banneret Trading Private 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 Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone Financial Statements.

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

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To the Members of Banneret Trading Private Limited

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2016 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 Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B.
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has no pending litigations as would impact its financial position. The question of their disclosure on financial position does not arise;
 - (ii) In our opinion, there were no material foreseeable losses on long term contracts including derivative contracts, that need to be provided for in accounts; and
 - (iii) The Company has no obligation to transfer any amount to the Investor Education and Protection Fund by the Company.

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

J.L. Thakkar – M No.032318
Proprietor

Mumbai : August 12, 2016

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To the Members of Banneret Trading Private Limited

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ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report of even date, to the members on the Standalone Financial Statements for the year ended 31st March, 2016, required by the Companies (Auditors' Report) Order, 2016 ("the Order") in terms of sub-section (11) of Section 143 of the Act

1. The Company has no fixed assets. The question of reporting under para 3(i) of the Order does not arise.
2. The Company has no inventory. The question of reporting under para 3(ii) of the Order does not arise.
3. 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 Act.
4. During the year, the Company has not given any loan; and it has not given any guarantee, or provided any security in respect of any loan. Also during the year, the Company has not made any investments. Accordingly the provisions of section 185 and section 186 of the Act do not apply.
5. During the year, according to the information and explanations given, the Company did not accept any deposits from the public.
6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act. The question of reporting under para 3(vi) of the Order does not arise.
7.
 - (a) According to the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given by the management, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given and the records of the Company, there were no dues as at 31st March, 2016 of Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty or Value Added Tax, which have not been deposited on account of any dispute.
8. According to the records of the Company, it has no borrowings from any financial institution, bank, Government or by way of debentures. Accordingly, there is no question of defaulting in repayment of these loans or borrowings.
9. During the year, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and there were no borrowing by term loans. Accordingly, the question of reporting on the application of these monies and borrowings does not arise.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. No managerial remuneration has been paid or provided during the year.
12. The Company is not a Nidhi Company. Accordingly the provisions of Nidhi Rules, 2014 do not apply.

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To the Members of Banneret Trading Private Limited

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13. All transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable, and their details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or of fully/partly convertible debentures during the year under review. The question of compliance of provisions and related disclosures therefore does not arise.
15. During the year, the company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, the question of compliance of section 192 of the Act does not arise.
16. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

J.L. Thakkar – M No.032318
Proprietor

Mumbai : August 12, 2016

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To the Members of Banneret Trading Private Limited

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ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2.f under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report of even date, to the members on the standalone financial statements for the year ended 31st March, 2016

Report on the Internal Financial Controls Over Financial Reporting 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 Banneret Trading Private Limited ("the Company") as of March 31, 2016 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. 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

J.L. Thakkar – M No.032318
Proprietor

Mumbai : August 12, 2016

BANNERET TRADING PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2016
(All amount in Indian Rupees)

	Note	As at March 31, 2016	As at March 31, 2015
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDER'S FUNDS			
Share capital	1	190,100,000	190,100,000
Reserves and surplus	2	661,209	(2,161,453)
		<u>190,761,209</u>	<u>187,938,547</u>
Non-current liabilities			
Long-term borrowings	3	7,362,834,743	7,362,833,981
		<u>7,362,834,743</u>	<u>7,362,833,981</u>
CURRENT LIABILITIES			
Other current liabilities	4	28,625	28,090
		<u>28,625</u>	<u>28,090</u>
TOTAL		<u><u>7,553,624,577</u></u>	<u><u>7,550,800,618</u></u>
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Non-current investments	5	7,550,312,690	7,550,312,690
Other Non Current assets	6	3,109,500	-
		<u>7,553,422,190</u>	<u>7,550,312,690</u>
CURRENT ASSETS			
Cash and cash equivalents	7	202,387	487,928
		<u>202,387</u>	<u>487,928</u>
TOTAL		<u><u>7,553,624,577</u></u>	<u><u>7,550,800,618</u></u>

The notes from 1 to 11 form an integral part of the Financial statements

As per our attached report of even date

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

For and on behalf of the Board of Directors

J.L. Thakkar– M.No.32318
Proprietor

Shiva Subramanian
Director

Shobhana Nagwekar
Director

Place : Mumbai
Date : August 12, 2016

Prativa Jena
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016
(All amount in Indian Rupees)

	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
REVENUE			
Other income	8	4,500,000	3,940
TOTAL		4,500,000	3,940
EXPENSES			
Finance costs		762	254
Other expenses	9	256,916	2,025,744
Auditor's remuneration for audit fees		29,160	28,090
TOTAL		286,838	2,054,088
PROFIT / (LOSS) BEFORE TAX		4,213,162	(2,050,148)
Tax expense:			
Current tax		1,390,500	-
Deferred tax		-	-
PROFIT/(LOSS) AFTER TAX		2,822,662	(2,050,148)
Basic earnings per equity share of Rs. 10 each	10	282.27	(205.01)
Diluted earnings per equity share of Rs. 10 each	10	282.27	(205.01)

The notes from 1 to 11 form an integral part of the financial statements

As per our attached report of even date

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

For and on behalf of the Board of Directors

J.L. Thakkar– M.No.32318
Proprietor

Shiva Subramanian
Director

Shobhana Nagwekar
Director

Place : Mumbai
Date : August 12, 2016

Prativa Jena
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
(All amount in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31, 2015
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES:		
Net profit/(Loss) before taxation	4,213,162	(2,050,148)
Adjustment for:		
Liability no more payable	-	(3,940)
Finance costs	762	254
Interest Income	(4,500,000)	-
Operating loss before Working Capital changes	(286,076)	(2,053,834)
Movement in working capital:		
Increase/(Decrease) in Liabilities and Provisions	535	3,940
Cash used in Operations	(285,541)	(2,049,894)
Income tax paid	-	-
Net cash used in Operating Activities	(285,541)	(2,049,894)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:		
Share application money repaid	-	2,500,040
Net cash from Investing Activities	-	2,500,040
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:		
Proceeds from borrowings	-	10,000
Net cash from Financing Activities	-	10,000
Net increase/(decrease) in cash and cash equivalents	(285,541)	460,146
Cash and cash equivalents at beginning of period	487,928	27,782
Cash and cash equivalents at end of period (see note below)	202,387	487,928
Note:		
Component of cash and cash equivalents		
Balance with banks:		
' -on current account	202,387	487,928
	202,387	487,928

All figures in bracket are outflow

As per our attached report of even date

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants

For and on behalf of the Board of Directors

J.L. Thakkar- M.No.32318
Proprietor

Shiva Subramanian **Shobhana Nagwekar**
Director Director

Place : Mumbai
Date : August 12, 2016

Prativa Jena **Ravi Shekhar Mitra**
Company Secretary Chief Financial Officer

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1. SHARE CAPITAL

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
(Indian Rupees)				
AUTHORISED				
Equity shares of Rs. 10 each	50,000	500,000	50,000	500,000
Preference shares of Rs. 10 each	19,950,000	199,500,000	19,950,000	199,500,000
		<u>200,000,000</u>		<u>200,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP				
Equity shares of Rs. 10 each fully paid up:	10,000	100,000	10,000	100,000
Preference shares of Rs. 10 each fully paid up:	19,000,000	190,000,000	19,000,000	190,000,000
TOTAL	<u>19,010,000</u>	<u>190,100,000</u>	<u>19,010,000</u>	<u>190,100,000</u>

Notes:

a) Shares held by holding company.

The above 10,000 (Previous Year - 10,000) equity shares are held by Carol Info Services Limited, the Holding Company which includes 6 (Previous Year -1) fully paid up share of par value held in the name of the nominee of the Company

b) Reconciliation of the equity shares outstanding.

	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Add: Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

c) Reconciliation of the preference shares outstanding.

	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	19,000,000	190,000,000	-	-
Add: Issued during the year	-	-	19,000,000	190,000,000
Shares outstanding at the end of the year	<u>19,000,000</u>	<u>190,000,000</u>	<u>19,000,000</u>	<u>190,000,000</u>

d) Terms /rights attached to shares.

Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share held and is entitled to dividend, if declared at the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares:

19,000,000 3% Non Convertible Cumulative Redeemable Preference shares of Rs. 10 each are redeemable at par on March 16, 2035.

e) Details of equity shares held by each shareholders holding more than 5% of total equity shares.

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Carol Info Services Limited	10,000	100%	10,000	100%

f) Details of preference shares held by each shareholders holding more than 5% of total preference shares.

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Merind Limited	19,000,000	100%	19,000,000	100%

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

2. RESERVES AND SURPLUS

	(Indian Rupees)	
	As at	As at
	March 31, 2016	March 31, 2015
Surplus/(Deficit)		
Opening balance	(2,161,453)	(111,305)
Add: Profit/(Loss) during the year	2,822,662	(2,050,148)
Closing Balance	<u>661,209</u>	<u>(2,161,453)</u>
TOTAL	<u><u>661,209</u></u>	<u><u>(2,161,453)</u></u>

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

3. LONG-TERM BORROWINGS

(Indian Rupees)

	As at March 31, 2016	As at March 31, 2015
<u>Unsecured</u>		
Loan from related parties - [Refer note (11.B.5(b))]	7,362,834,743	7,362,833,981
TOTAL	<u>7,362,834,743</u>	<u>7,362,833,981</u>

Note:

All the above loans are repayable from year 2020 in 2 equal installments. Of the above, loans amounting Rs. 10,254 (Previous year Rs.10,000) carry an interest rate of 7.431% (Previous Year -7.736% p.a) which approximates the rate of prevailing yield of Government securities closest to the tenor of the loan. The aforesaid terms are subject to amendments with mutual consent.

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

4. OTHER CURRENT LIABILITIES

(Indian Rupees)

**As at
March 31, 2016**

**As at
March 31, 2015**

Payable for expenses

28,625

28,090

TOTAL

28,625

28,090

BANNERET TRADING PRIVATE LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****5. NON-CURRENT INVESTMENTS - AT COST**

	As at March 31, 2016	(Indian Rupees) As at March 31, 2015
TRADE (UNQUOTED):		
9,000,000 (Previous Year : 9,000,000) Zero Coupon Non-Convertible Redeemable Bonds of Khorakiwala holding and Investment Private Limited of Rs. 100 each	900,000,000	900,000,000
369,942,639 (Previous Year - 369,942,639) 3% Non-Convertible Cumulative Redeemable Preference Shares of Dartmour Holding Private Limited of Rs 10 each fully paid up	3,699,426,390	3,699,426,390
29,508,863 (Previous Year - 29,508,863) 3% Non-Convertible Cumulative Redeemable Preference Shares of Palanpur Holdings and Investment Private Limited of Rs. 100 each fully paid up	2,950,886,300	2,950,886,300
TOTAL	7,550,312,690	7,550,312,690

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

	As at March 31, 2016	(Indian Rupees) As at March 31, 2015
6 OTHER NON-CURRENT ASSETS		
Accrued Interest on Bonds-[Refer note (11.B.5(b))]	3,109,500	-
TOTAL	<u>3,109,500</u>	<u>-</u>

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

7. CASH AND CASH EQUIVALENTS

	(Indian Rupees)	
	As at	As at
	March 31, 2016	March 31, 2015
On current account	202,387	487,928
TOTAL	202,387	487,928

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

8. OTHER INCOME

	(Indian Rupees)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income on Bonds	4,500,000	-
Liability no more payable	-	3,940
TOTAL	4,500,000	3,940

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

9. OTHER EXPENSES

	(Indian Rupees)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Legal and Professional Charges	256,784	2,014,254
Bank Charges	132	11,490
TOTAL	256,916	2,025,744

BANNERET TRADING PRIVATE LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****10. EARNINGS PER SHARE**

The calculations of earnings per share (EPS) (basic and diluted) is based on the earnings and number of shares as computed below:

	For the year ended March 31, 2016	(Indian Rupees) For the year ended March 31, 2015
Reconciliation of earnings		
Profit / (Loss) after tax	<u>2,822,662</u>	<u>(2,050,148)</u>
Net Profit / (Loss) for calculation of Basic EPS/Diluted EPS	<u>2,822,662</u>	<u>(2,050,148)</u>
Reconciliation of number of shares	No. of Shares	No. of Shares
Weighted average number of shares in calculating Basic EPS/Diluted EPS	<u>10,000</u>	<u>10,000</u>
	<u>10,000</u>	<u>10,000</u>
Earnings per share (face value Rs. 10 each)		
Earnings per share - Basic Rs. /Diluted Rs.	282.27	(205.01)

BANNERET TRADING PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

11. A. Significant Accounting Policies:

1. Basis of preparation

The financial statements have been prepared to comply in all material respects with the relevant provisions of the Companies Act, 2013 and the accounting standards notified by the aforesaid Act. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provisions for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at the balance sheet date and adjusted to reflect the current best estimates.

3. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity

shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

B. Notes to Accounts:

1. Cumulative dividend on preference shares not provided as on the balance sheet date : Rs. 11,400,000 (Previous Year Rs. 5,700,000)
2. There is no Contingent liability as at 31st March 2016.
3. The Company has neither earned nor incurred any expenditure in foreign currency.
4. Principal amount including interest, if any payable to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2016 Rs. Nil (Previous Year - Rs Nil). The above information is given to the extent information available with the Company and relied upon by the auditors.
5. Related Party Disclosures (As per Accounting Standard -18):

(a) Parties where control exists

Ultimate Holding Company:

Khorakiwala Holdings and Investments Private Limited

Holding Company:

Carol Info Services Limited

Individual having direct or indirect control over the Company:

H.F. Khorakiwala

Enterprise over which individuals having direct or indirect control over the Company having significant influence:

Merind Limited

Palanpur Holdings and Investments Private Limited

Dartmour Holdings Private Limited

(b) Transaction with related parties during the year

Holding company

Loan Taken	Rs. 762 (Previous Year Rs. 10,254)
Interest Cost	Rs 762 (Previous Year Rs. 254)
Loan Balance Outstanding	Rs.7,362,834,743 (Previous Year Rs. 7,362,833,981)

Ultimate Holding Company:

Interest Income on Zero Coupon

Non-Convertible Redeemable Bonds Rs. 4,500,000 (Previous Year Rs Nil)

Share Application Money repaid Rs Nil (Previous Year Rs.
900,000,000)

Amount paid towards

Zero Coupon Non-Convertible

Redeemable Bonds Rs. Nil (Previous Year Rs
900,000,000)

Investment in

Zero Coupon Non-Convertible

Redeemable Bonds Rs. Nil (Previous Year Rs
900,000,000)

Amount Receivable Rs. 3,109,500 (Previous Year Nil)

Transaction with Enterprise over which individuals having direct or indirect control over the Company having significant influence:

Merind Limited:

Allotment of Non Convertible Cumulative

Redeemable Preference Shares Rs. Nil (Previous Year Rs.
190,000,000)

Palanpur Holdings and Investments Private Limited :

Share application money repaid Rs.Nil (Previous Year Rs.
2,500,000)

Investment in Non Convertible Rs Nil (Previous Year Rs.

Cumulative redeemable Preference 2,950,886,300)

Shares

Dartmour Holdings Private Limited :

Investment in Non Convertible	Rs.Nil (Previous Year Rs.
Cumulative redeemable Preference	3,699,426,390)
Shares	

6. Previous year figures have been regrouped where necessary to conform to current year's presentation.

Place: Mumbai

For and on behalf of the Board of Directors

Date: August 12, 2016

Shiva Subramanian

Director

Shobhana Nagwekar

Director

Prativa Jena
Company Secretary

Ravi Shekhar Mitra
Chief Financial Officer